

**SB328 INTRODUCED**



1 SB328  
2 BN8B4JQ-1  
3 By Senator Waggoner  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 16-Apr-24



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SYNOPSIS:

Under existing law, there is a process for establishing community development districts that meet certain requirements. Once established, the board of control of the district may authorize the sale of alcoholic beverages within the district by certain entities otherwise licensed by the Alcoholic Beverage Control Board.

This bill would provide for an additional community development district that meets certain criteria. Upon formation of the district, the sale of alcoholic beverages would be authorized in the district.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to community development districts; to amend Section 35-8B-1, Section 35-8B-2, and Section 35-8B-3, Code of Alabama 1975, to provide for an additional community development district that meets certain criteria.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 35-8B-1, Section 35-8B-2, and



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29 Section 35-8B-3, Code of Alabama 1975, are amended to read as  
30 follows:

31 "§35-8B-1

32 (a) (1) "Community development district" means a private  
33 residential development that meets all of the following  
34 criteria:

35 a. Is a size of at least 250 acres of contiguous land  
36 area.

37 b. Has at least 100 residential sites, platted and  
38 recorded in the probate office of the county as a residential  
39 subdivision.

40 c. Has streets that were or will be built with private  
41 funds.

42 d. Has a social club with all of the following:

43 1. An 18-hole golf course of regulation size.

44 2. A restaurant or eatery used exclusively for the  
45 purpose of preparing and serving meals, with a seating  
46 capacity of at least 60 patrons.

47 3. Social club memberships with at least 100 paid-up  
48 members who have paid a membership initiation fee of not less  
49 than two hundred fifty dollars (\$250) per membership.

50 4. Membership policies whereby membership is not denied  
51 or impacted by an applicant's race, color, creed, religion, or  
52 national origin.

53 5. A full-time management staff for the social  
54 activities of the club, including the management of the  
55 premises where food and drink are sold.

56 (2) The sale of any alcoholic beverages in any



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57 community development district established under this  
58 subsection shall be subject to a tax levied by the county on  
59 any sale at the same rate as the tax on any sale of liquor in  
60 the largest municipality in the county in which the district  
61 is established and shall be distributed as provided in Section  
62 35-8B-5.

63 (b) "Community development district" also means  
64 privately owned property used for social purposes that meets  
65 all of the following criteria:

66 (1) Is a size of at least 250 acres of contiguous land  
67 area.

68 (2) Is located in a dry county that has one or more wet  
69 municipalities, but outside the corporate limits of any  
70 municipality.

71 (3) Is a social club with all of the following:

72 a. An 18-hole golf course of regulation size.

73 b. A marina and boat storage facility with at least 35  
74 spaces.

75 c. A clubhouse with more than 20,000 square feet.

76 d. A restaurant or eatery used exclusively for the  
77 purpose of preparing and serving meals, with a seating  
78 capacity of at least 88 patrons.

79 e. At least 600 paid-up golf or social members who have  
80 paid a membership initiation fee of not less than two thousand  
81 dollars (\$2,000) per family or individual membership.

82 f. Membership policies whereby membership is not denied  
83 or impacted by an applicant's race, color, creed, religion, or  
84 national origin.



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85 g. A full-time management staff for the social  
86 activities of the club, including the management of the  
87 premises where food and drink are sold.

88 (c) In addition to the limitations specified in Section  
89 35-8B-3, with regard to a community development district  
90 defined in subsections (a) and (b), alcoholic beverages shall  
91 be sold only for on-premises consumption, as defined in  
92 Section 35-8B-3(a)(3), and in regard to a community  
93 development district defined in subsection (b), alcoholic  
94 beverages shall not be sold within 3,000 feet of the south  
95 right-of-way of any state or federal highway adjacent to any  
96 such district.

97 (d) (1) "Community development district" also means a  
98 private residential development that may or may not include  
99 additional contiguous privately-owned property used for  
100 residential, social, commercial, or charitable purposes that  
101 meets all of the following criteria:

102 a. Is the size of at least 650 acres of contiguous land  
103 area, but may also contain ~~non-contiguous~~ noncontiguous land  
104 if so divided by a public highway which shall be made part of  
105 the district per the articles of establishment.

106 b. Is located in a dry county that has one or more wet  
107 municipalities, but may be outside the corporate limits of any  
108 municipality or within the corporate limits of a municipality.

109 c. Has all of the following:

110 1. At least a 9-hole golf course.

111 2. An amenity complex to include a fitness center and a  
112 swimming pool.



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113 3. A clubhouse with at least 7,000 square feet.

114 4. A restaurant or eatery used for the purpose of  
115 preparing and serving meals, with a seating capacity of at  
116 least 50 patrons.

117 5. A recreational lake of at least 30 acres.

118 6. At least 200 paid-up golf or club memberships paid  
119 initially by either the developer, residential landowners, or  
120 commercial entities located within the district at the rate of  
121 at least five hundred dollars (\$500) per membership provided  
122 the developer reserves the right through residential and  
123 commercial lease and purchase agreements to require additional  
124 membership and initiation fees and further provided the  
125 developer has the discretion to restrict use of the golf  
126 course to district landowners and guests or at the developer's  
127 discretion to extend use of the golf course to the general  
128 public subject to fees set and determined by the developer  
129 which may differ from fees applicable to residential and  
130 commercial lease and purchase agreements.

131 7. Membership policies whereby membership is not denied  
132 or impacted by an applicant's race, color, religion, or  
133 national origin.

134 d. May include a multi-purpose use entertainment  
135 facility with a minimum capacity to accommodate at least 7,500  
136 patrons.

137 e. May include commercial establishments.

138 (2) Notwithstanding any other provisions of law, the  
139 sale and distribution of alcoholic beverages, including draft  
140 or keg beer, by licensees of the Alcoholic Beverage Control



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141 Board shall be authorized in a community development district  
142 defined under this subsection, and Section 35-8B-3 shall not  
143 apply.

144 (e) "Community development district" also means a  
145 commercial district located in a wet county that does not  
146 authorize Sunday sales and outside the corporate limits and  
147 police jurisdiction of any municipality and which has a  
148 restaurant with a seating capacity of at least 120, a  
149 grocery-delicatessen, riding stables and riding trails, a  
150 community information center, outdoor programming activities,  
151 and rural lifestyle demonstrations.

152 (f) "Community development district" also means a  
153 commercial district located in a wet county that does not  
154 authorize Sunday sales, has a restaurant with a seating  
155 capacity of at least 120, is adjacent to a marina with at  
156 least 34 boat slips, and is located on property where the  
157 marina and restaurant are under common ownership.

158 (g) "Community development district" also means a  
159 commercial district that includes a marina located on a river  
160 in an unincorporated area of a wet county that does not  
161 authorize seven-day sales with two separate food and beverage  
162 buildings with a combined space of at least 7,500 square feet  
163 connected by a boardwalk and separated by a patio with an  
164 entertainment stage.

165 (h) "Community development district" also means a  
166 commercial district located in a dry county that shares a  
167 geographic border with another state, has an elevation of at  
168 least 1,500 feet, and has a recreational waterway, specialty



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169 shops and restaurants, summer camps and retreat centers, an  
170 art gallery, and annual festivals showcasing the area.

171 (i) (1) "Community development district" also means a  
172 commercial district that borders on a lake that is formed by  
173 an impounded reservoir of a river whose source is in a federal  
174 wilderness area and has a marina with not less than 30 boat  
175 slips and a restaurant with seating capacity of not less than  
176 100 seats of which not less than 50 seats must be inside  
177 seating and is located on property where the marina and  
178 restaurant are under common ownership. In addition to any  
179 other requirements by law, the restaurant shall obtain a  
180 business license from the local governing body having primary  
181 jurisdiction of the property where the restaurant is located  
182 and shall be subject to additional regulation as determined  
183 necessary by the local governing body. Only one restaurant  
184 license per community development district shall be allowed.

185 (2) The sale of any alcoholic beverages in any  
186 community development district established under this  
187 subsection shall be subject to a tax levied by the county on  
188 any sale at the same rate as the tax on any sale of liquor in  
189 the largest municipality in the county in which the district  
190 is established and shall be distributed as provided in Section  
191 35-8B-5.

192 (j) "Community development district" also means a  
193 parcel of real property that meets all of the following  
194 criteria:

195 (1) It is owned by the same person or entity.

196 (2) It consists of not less than 160 acres.





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197 (3) It is located partially in a dry county and  
198 partially in a wet county.

199 (4) It contains a lake of not less than 70 acres with a  
200 fishing resort consisting of a rental boathouse, campsites,  
201 and a community room.

202 (k) "Community development district" also means a  
203 parcel of real property that meets all of the following:

204 (1) Consists of at least 1,600 acres.

205 (2) Holds concerts and other family-oriented events.

206 (3) Is located in a dry county with at least one wet  
207 municipality.

208 (1) "Community development district" also means a  
209 commercial district located in a wet county that does not  
210 authorize Sunday sales which district is composed of resort  
211 property consisting of 3,000 or more contiguous acres under  
212 common ownership, has a public golf course with a practice  
213 area and clubhouse, has a restaurant on the property, has  
214 overnight accommodations consisting of 40 or more guest  
215 suites, and has a shooting range.

216 (m) "Community development district" also means a  
217 parcel of land in a resort area consisting of a lodge for  
218 overnight accommodations and homesites that include vacation  
219 rentals and meets all of the following:

220 (1) The development was originally developed by  
221 entities owned by the same family.

222 (2) It consists of not less than 180 acres located in a  
223 dry county which borders an adjoining state and has an  
224 elevation of not less than 1,100 feet.



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225 (3) It has a lodge providing overnight accommodations,  
226 including a dining facility with a seating capacity of not  
227 less than 50 which is open to the public.

228 (4) It contains a platted subdivision of not less than  
229 90 homesites, including homes available for vacation rental  
230 with plans for additional development.

231 (5) It is located on a bluff over the backwaters of a  
232 major river that flows through an adjoining state and flows  
233 through or borders on another adjoining state.

234 (n) "Community development district" also means a  
235 commercial district located in a wet county that does not  
236 authorize Sunday sales, has a restaurant with a seating  
237 capacity of at least 96 seats inside and 24 seats outside, is  
238 located on a lake and adjacent to docking facilities and boat  
239 slips for at least 24 boats, is licensed only to sell beer and  
240 wine, and is located on property where the restaurant and boat  
241 slips and docking facilities are under common ownership.

242 (o) "Community development district" also means  
243 privately owned property that meets all of the following  
244 criteria:

245 (1) It is used for social purposes.

246 (2) It is located in a dry county that has one or more  
247 wet municipalities, but outside the corporate limits of any  
248 municipality.

249 (3) It has a marina and a boat storage facility with at  
250 least 150 spaces.

251 (4) It has a shipstore with at least 2,200 square feet.

252 (5) It is adjacent to a lake of at least 100,000 acres.



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253 (6) It has a restaurant or eatery used for the purpose  
254 of preparing and serving meals, with a seating capacity of at  
255 least 40 patrons.

256 (p) "Community development district" also means an area  
257 owned by an industrial development board located in a dry  
258 county with a wet municipality, but in a municipality that has  
259 more than 750 persons, according to the 2010 federal decennial  
260 census, and the property meets all of the following:

261 (1) The property is in a county bordering on two other  
262 states.

263 (2) The property is on a bluff overlooking a river  
264 flowing through two adjoining states.

265 (3) The property would be used only for a hotel having  
266 not less than 50 rooms and a restaurant.

267 (q) (1) "Community development district" also means  
268 privately owned property that meets all of the following  
269 criteria:

270 a. It is located in a dry county that has one or more  
271 wet municipalities, but outside the corporate limits of any  
272 municipality.

273 b. It consists of at least 60 acres.

274 c. It has facilities on the property which employ a  
275 full-time management staff for the social activities of the  
276 facilities, including the management of the premises where  
277 food and drink are sold.

278 d. It has a restaurant or eatery used for the purpose  
279 of preparing and serving meals, with a seating capacity of at  
280 least 500 patrons operated on the property.



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281 e. It has concerts and other family-oriented events  
282 held on the property.

283 f. It has overnight accommodations with the capacity to  
284 sleep at least 70 individuals.

285 g. It has at least five fishing ponds.

286 h. It has an amphitheater for outdoor entertainment  
287 events.

288 i. It has a chapel for wedding services.

289 j. It has an RV park with a capacity of at least four  
290 RVs.

291 k. It has five reception halls with a seating capacity  
292 of at least 1,900 individuals.

293 l. It has an outdoor stage.

294 (2) The sale of any alcoholic beverages in any  
295 community development district established under this  
296 subsection shall be subject to a tax levied by the county on  
297 any sale at the same rate as the tax on any sale of liquor in  
298 the largest municipality in the county in which the district  
299 is established and shall be distributed as provided in Section  
300 35-8B-5.

301 (r) (1) "Community development district" also means  
302 property that meets all of the following criteria:

303 a. It is located in a dry county that shares a border  
304 with another state and which contains at least one wet  
305 municipality, but the property is located outside the  
306 corporate limits of any municipality.

307 b. It is adjacent to a river flowing through two  
308 adjoining states.



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309 c. It has at least one restaurant with a seating  
310 capacity of at least 40 patrons.

311 d. It contains a contiguous land area of private  
312 residential development amounting to more than 250 acres.

313 e. It contains over 100 residential sites, platted and  
314 recorded.

315 f. It contains streets that are, or will be, built with  
316 private funds.

317 g. It contains an 18-hole public golf course of  
318 regulation size, which offers an annual subscription or  
319 membership to cover the cost of greens fees.

320 (2) Notwithstanding any other provisions of law, the  
321 sale and distribution of alcoholic beverages, including draft  
322 or keg beer, by licensees of the Alcoholic Beverage Control  
323 Board shall be authorized in a community development district  
324 defined under this subsection and Section 35-8B-3 shall not  
325 apply.

326 (s) (1) "Community development district" also means a  
327 commercial district or resort that borders on a lake that is  
328 formed by an impounded reservoir of a river whose source is in  
329 a federal wilderness area that meets the following criteria:

330 (a) Is a size of at least 1,000 acres of contiguous  
331 land area;

332 (b) Is located in a dry county that has one or more wet  
333 municipalities, but is located outside the corporate limits of  
334 any wet municipality;

335 (c) Has a hotel or lodge or rental homes with a minimum  
336 of 100 rooms;



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337 (d) Has at least one 18-hole golf course of regulation  
338 size;

339 (e) Has access to or will have on site by October 1,  
340 2029, a marina and boat storage facility with not less than  
341 100 spaces;

342 (f) Has a clubhouse with more than 10,000 square feet;

343 (g) Has more than one restaurant, bar, or tavern or  
344 other eatery used exclusively for the purpose of preparing and  
345 servicing meals or beverages or both, seven days per week, with  
346 at least one restaurant having a seating capacity of at least  
347 100 patrons;

348 (h) Has a conference center used for meetings and  
349 social events;

350 (i) Has an amenity complex that may include a spa, a  
351 fitness center, pickle ball and tennis courts, a swimming  
352 pool, retail shops, and a wedding chapel;

353 (j) Has outdoor activities, including boat rentals,  
354 hiking trails, and guided fishing trips;

355 (k) Has a membership program defined as follows: (i)  
356 golf membership per family or per individual for an  
357 all-inclusive activity, including golf, dining, fitness, and  
358 players club; or (ii) a social membership per family that is  
359 all-inclusive, excluding golf. Membership policies shall  
360 provide that membership is not denied or impacted by an  
361 applicant's race, color, creed, religion, or national origin;

362 (l) Has a resort-owned luxury fine dining dinner cruise  
363 and special events yacht which shall be authorized to serve  
364 meals or alcoholic beverages, or both, while on the water,



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365 provided, the following minimum criteria are met: (i) length  
366 of no less than 60 feet; (ii) U.S. Coast Guard approved  
367 seating capacity of no less than 40; and (iii) operated by a  
368 USCG licensed captain with a minimum of two additional  
369 attendants.

370 (2) In a community development district as defined in  
371 this subsection, alcoholic beverages shall be sold only by  
372 licensees of the Alabama Alcoholic Beverage Control Board for  
373 consumption within or on a licensee's property including  
374 Sunday sales. The restaurant or tavern shall obtain a business  
375 license from the local governing body having primary  
376 jurisdiction of the property where the restaurant is located  
377 and shall be subject to additional regulation as determined  
378 necessary by the local governing body.

379 ~~(s)~~ (t) If a community development district is located  
380 in any county, including within any wet or dry municipality  
381 located within the county, the county shall participate in the  
382 distribution of taxes and license fees pursuant to Chapters 3  
383 and 3A of Title 28.

384 ~~(t)~~ (u) Any alcohol revenues received by a county under  
385 Act 2007-417 shall offset in an equal amount any T.V.A.  
386 in-lieu-of-taxes payments received by the county. Any T.V.A.  
387 in-lieu-of-taxes payments replaced by alcohol revenues under  
388 this subsection shall be distributed to T.V.A.-served  
389 counties.

390 ~~(u)~~ (v) If a community development district established  
391 prior to June 1, 2014, becomes a new municipality pursuant to  
392 Sections 11-41-1 and 11-41-2, the section requiring a vote of



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393 the residents of the property described in the petition, the  
394 new municipality created thereby shall be wet and the sale and  
395 distribution of alcoholic beverages therein shall be  
396 authorized to the full extent of any other wet municipality.  
397 In addition to the other requirements for incorporating into a  
398 municipality set forth in Sections 11-41-1 and 11-41-2, the  
399 petition shall provide notice to potential voters that if the  
400 new municipality is incorporated it shall be wet."

401 "§35-8B-2

402 The exclusive and uniform method for the establishment  
403 of a community development district shall be by the filing of  
404 the articles of establishment of a community development  
405 district with the judge of probate of the county in which the  
406 district is to be located, or if located in more than one  
407 county, of the county wherein is located the largest area of  
408 the community development district.

409 (1) The articles of establishment of a district defined  
410 in subsection (a) of Section 35-8B-1 shall contain the  
411 following:

412 a. The written consent to the establishment of the  
413 district by the owner or owners of at least 51 percent of the  
414 real property to be included in the district, or documentation  
415 demonstrating that the petitioner has control by deed, trust  
416 agreement, contract, or option of at least 51 percent of the  
417 real property to be included in the district.

418 b. A metes and bounds description of the external  
419 boundaries of the district, with a specific metes and bounds  
420 description of any real property within the external





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421 boundaries of the district, which is to be excluded from the  
422 district.

423           c. A schematic layout of the proposed district with a  
424 map of the proposed and existing residential subdivisions,  
425 streets, and roads in the district, and of the building and  
426 grounds to be used in common by members of the club operating  
427 in the district, together with a commitment that the owner or  
428 owners of the real property located within the district will  
429 bear the costs of the construction of such proposed streets  
430 and roads, if such proposed roads and streets do not exist on  
431 the day the articles of establishment are filed.

432           d. The proposed name of the district, and the location  
433 and the mailing address of the principal office of the  
434 district.

435           e. A designation of five persons to be the initial  
436 members of the board of control of the district, two of whom  
437 shall serve in that office until replaced by elected members;  
438 provided, the two elected members of the board of control  
439 shall be elected by the members of the club who may vote in  
440 person or by proxy in writing at an annual meeting of the  
441 district, which date shall be specified in the petition. Each  
442 club member shall be entitled to cast one vote. The two  
443 candidates receiving the highest number of votes shall be  
444 elected to the board of control for a period of one year, or  
445 until his or her successor shall be duly elected. Upon the  
446 death or resignation of a non-elected member of the board of  
447 control, the remaining board members shall elect, by majority  
448 vote at a called board meeting, a new non-elected board



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449 member.

450 (2) The articles of establishment of a district defined  
451 in subsections (b) and (d) of Section 35-8B-1 shall contain  
452 the following:

453 a. The written consent to the establishment of the  
454 district by the owner of the real property to be included in  
455 the district.

456 b. A metes and bounds description of the external  
457 boundaries of the district.

458 c. A schematic layout of the proposed district with a  
459 map of the buildings and grounds to be used in common by the  
460 members of the club operating in the district.

461 d. The proposed name of the district and the location  
462 and the mailing address of the principal office of the  
463 district.

464 e. A designation of members of the board of governors  
465 of the club operating in the district who shall be the members  
466 of the board of control of the district.

467 (3) The articles of establishment of a district  
468 described in Section 35-8B-1(e), (f), (g), (h), (i), (j), (k),  
469 (l), (m), (n), (o), (p), (q), ~~or~~ (r), or (s) shall contain the  
470 following:

471 a. The written consent to the establishment of the  
472 district by the owner of the real property to be included  
473 within the district.

474 b. A metes and bounds description of the external  
475 boundaries of the district.

476 c. A schematic layout of the proposed district with a



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477 map of the buildings and grounds to be used in common by  
478 guests in the district.

479 d. The proposed name of the district and the location  
480 and the mailing address of the principal office of the  
481 district.

482 e. A designation of members of the board of governors  
483 of the district who shall be elected by the owner of the real  
484 property included in the district.

485 (4) The articles of establishment and two copies  
486 thereof shall be delivered to the ~~probate judge~~judge of  
487 probate who shall, upon the payment of the fees hereinafter  
488 prescribed:

489 a. Endorse on the articles and on each of the copies  
490 the word "Filed," and the hour, day, month, and year of the  
491 filing thereof.

492 b. File the articles in his or her office and certify  
493 the two copies thereof.

494 c. Issue a certificate of establishment to which he or  
495 she shall affix one certified copy of the articles of  
496 establishment, and return the certificate with a certified  
497 copy of the articles of establishment affixed thereto to the  
498 district.

499 (5) Upon the filing of the articles of establishment of  
500 the community development district with the ~~probate judge~~judge  
501 of probate, the district's existence shall begin.

502 (6) In lieu of all other charges and fees for a  
503 community development district formed under Section  
504 35-8B-1(a), (b), or (d), the ~~probate judge~~judge of probate



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505 shall charge and collect for filing the articles of  
506 establishment and issuing a certificate of establishment, one  
507 thousand dollars (\$1,000) payable to the municipality in which  
508 is located the largest area of the community development  
509 district if located in a municipality, and if not, to the  
510 county in which is located the largest area of the community  
511 development district and three hundred fifty dollars (\$350) to  
512 the county for the purpose of providing additional funds for  
513 the office of the ~~probate judge~~ judge of probate. On or before  
514 the anniversary date of the filing of the articles of  
515 establishment, excluding the actual year of filing, the board  
516 of control shall pay to the ~~probate judge~~ judge of probate a  
517 fee of three hundred fifty dollars (\$350) and a fee of one  
518 thousand dollars (\$1,000) payable to the municipality in which  
519 is located the largest area of the community development  
520 district if located in a municipality, and if not, to the  
521 county in which is located the largest area of the community  
522 development district for the purpose of providing additional  
523 funds for the office of the ~~probate judge~~ judge of probate.

524 (7) In lieu of all other charges and fees for a  
525 community development district formed under Section  
526 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o),  
527 (p), (q), ~~or~~ (r), or (s) the judge of probate shall charge and  
528 collect a one-time fee for filing the articles of  
529 establishment and issuing a certificate of establishment of  
530 five hundred dollars (\$500) payable to the county in which is  
531 located the largest area of the district for the purpose of  
532 providing additional funds to the judge of probate."



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533           "§35-8B-3

534           (a) If a majority of the board of control of a  
535 community development district formed under Section  
536 35-8B-1(a), (b), or (d) consents to and approves the sale and  
537 distribution of alcoholic beverages within the district, it  
538 shall be lawful to sell and distribute alcoholic beverages in  
539 the community development district in the following manner and  
540 subject to the following terms, definitions, and conditions:

541           (1) Upon being licensed by the Alabama Alcoholic  
542 Beverage Control Board, alcoholic beverages may be sold by the  
543 club of the district to members and their guests for  
544 on-premises consumption only. The club shall be licensed to  
545 sell alcoholic beverages to its members and their guests as a  
546 club liquor retail licensee by the Alabama Alcoholic Beverage  
547 Control Board, upon the club's compliance with the provisions  
548 of the alcoholic beverage licensing code and the rules adopted  
549 thereunder. The original application shall be accompanied by a  
550 certificate from the board of control of the district in which  
551 the licensed club is located, consenting to and approving the  
552 sale of alcoholic beverages at the club. The club shall not be  
553 required to present its application or obtain the consent and  
554 approval of any authority other than the board of control of  
555 the district.

556           (2) MEMBER. Any person or entity whose membership  
557 application has been approved by the club.

558           (3) ON-PREMISES CONSUMPTION. Consumption on the  
559 property of the club, including the club house, the golf  
560 course, and other recreational facilities of the club. Sales



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561 of alcoholic beverages for on-premises consumption shall be  
562 made only by authorized charge to a member's account.

563 (b) If a majority of the board of control of a  
564 community development district formed pursuant to Section  
565 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (p),  
566 ~~or~~ (q), or (s) consents to and approves the sale and  
567 distribution of alcoholic beverages within the district for  
568 seven days a week, any person within the district licensed by  
569 the Alabama Alcoholic Beverage Control Board may sell  
570 alcoholic beverages in the district for on-premises  
571 consumption.

572 (c) If a majority of the board of a community  
573 development district formed pursuant to Section 35-8B-1(h)  
574 consents to and approves the sale of alcoholic beverages  
575 within the district for seven days a week, any person within  
576 the district with the appropriate license from the Alabama  
577 Alcoholic Beverage Control Board may sell alcoholic beverages  
578 in the district for on-premises or off-premises consumption,  
579 subject to approval by a referendum as provided herein.

580 (1) If the community development district is situated  
581 entirely within the corporate limits of a municipality, then  
582 upon a petition by the board of the district being filed with  
583 the city or town clerk or governing body of the municipality,  
584 the governing body must call a municipal referendum election  
585 on the question of whether to authorize the sale of alcoholic  
586 beverages in the district as provided in the petition. The  
587 municipal election shall be held at the time of the primary,  
588 general, county-wide, or municipal election next succeeding



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589 the date of the filing of the petition but not less than 82  
590 days from the date of the filing of the petition. The cost of  
591 the municipal election, including the cost of notice by  
592 publication, shall be paid out of the general fund of the  
593 municipality.

594 (2) If the community development district is not  
595 situated entirely within the corporate limits of a  
596 municipality, then upon a petition by the board of the  
597 district being filed with the ~~probate judge~~judge of probate of  
598 the county, the ~~probate judge~~judge of probate must call a  
599 county-wide referendum election on the question of whether to  
600 authorize the sale of alcoholic beverages in the district as  
601 provided in the petition. The county-wide election shall be  
602 held at the time of the regularly scheduled primary or general  
603 election next succeeding the date of the filing of the  
604 petition but not less than 82 days from the date of the filing  
605 of the petition. The cost of the election, including the cost  
606 of notice by publication, shall be paid out of the general  
607 funds of the county.

608 (3) Notice of any referendum election called pursuant  
609 to the provisions hereof shall be given by the city or town  
610 clerk for municipal elections, or by the ~~probate judge~~judge of  
611 probate for county-wide elections, by publication at least  
612 three weeks before the date of the election, in a newspaper in  
613 the municipality or county, as appropriate, or, if there be  
614 none, by posting the notice at the town or city hall or county  
615 courthouse, as appropriate, apprising the voters of the  
616 municipality or county that an election will be held to



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617 determine whether alcoholic beverages may be sold within the  
618 district as provided in the petition.

619 (4) If a majority of the electors voting in a  
620 referendum called pursuant hereto votes "yes" in favor of the  
621 question, then the sale of alcoholic beverages in the district  
622 as provided in the petition shall be authorized. If a majority  
623 of the electors votes "no," then the sale of alcoholic  
624 beverages in the district shall be authorized only as provided  
625 by the laws in effect for the district prior to the filing of  
626 the petition, and the board of the community development  
627 district shall not file another petition under this subsection  
628 within 12 months of the referendum election.

629 (d) (1) In any community development district formed  
630 pursuant to Section 35-8B-1(e) or (f) in which the sale of  
631 alcoholic beverages has been approved pursuant to this  
632 section, the board of that district may establish an  
633 entertainment district within the district, which may not  
634 exceed one-half mile by one-half mile in area, but may be  
635 irregularly shaped.

636 (2) The Alabama Alcoholic Beverage Control Board may  
637 issue an entertainment district designation to any retailer  
638 licensee that is licensed to sell alcoholic beverages for  
639 on-premises consumption and to any manufacturer licensee that  
640 conducts tastings or samplings on the licensed premises,  
641 provided the licensees are located in an entertainment  
642 district established pursuant to this subsection.

643 (3) Notwithstanding any provision of law to the  
644 contrary, a licensee who receives an entertainment district





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645 designation under this subsection shall comply with all laws  
646 and rules governing its license type, as well as the  
647 limitations specified in this section, except that patrons,  
648 guests, or members of that licensee may exit that licensed  
649 premises with open containers of alcoholic beverages and  
650 consumer alcoholic beverages anywhere within the confines of  
651 the entertainment district.

652 (4)a. For purposes of this subsection, the term  
653 "on-premises" as applied to consumption within the  
654 entertainment district shall include anywhere within the  
655 district.

656 b. The permission granted by this subsection permitting  
657 the consumption of alcoholic beverages anywhere within the  
658 confines of the entertainment district shall not be construed  
659 to extend the confines of the licensed premises.

660 (5) The operation of an entertainment district  
661 established in a community development district pursuant to  
662 this subsection shall not be affected by any future annexation  
663 of that district or any part of that district into a  
664 municipality.

665 (e) In addition to the limitations specified in this  
666 section, with regard to a community development district  
667 defined in subsections (a) and (b), alcoholic beverages shall  
668 be sold only for on-premises consumption, as defined in  
669 subdivision (a)(3), and in regard to a community development  
670 district defined in subsection (b), alcoholic beverages shall  
671 not be sold within 3,000 feet of the south right-of-way of any  
672 state or federal highway adjacent to any such district."



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673                   Section 2. This act shall become effective on October  
674   1, 2024.