

**SB328 ENGROSSED**



1 SB328  
2 Y3ASNN2-2  
3 By Senator Waggoner  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 16-Apr-24



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

"§35-8B-1

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

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

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

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

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



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

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

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

36 4. Membership policies whereby membership is not denied  
37 or impacted by an applicant's race, color, creed, religion, or  
38 national origin.

39 5. A full-time management staff for the social  
40 activities of the club, including the management of the  
41 premises where food and drink are sold.

42 (2) The sale of any alcoholic beverages in any  
43 community development district established under this  
44 subsection shall be subject to a tax levied by the county on  
45 any sale at the same rate as the tax on any sale of liquor in  
46 the largest municipality in the county in which the district  
47 is established and shall be distributed as provided in Section  
48 35-8B-5.

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

52 (1) Is a size of at least 250 acres of contiguous land  
53 area.

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



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- 57 (3) Is a social club with all of the following:
- 58 a. An 18-hole golf course of regulation size.
- 59 b. A marina and boat storage facility with at least 35
- 60 spaces.
- 61 c. A clubhouse with more than 20,000 square feet.
- 62 d. A restaurant or eatery used exclusively for the
- 63 purpose of preparing and serving meals, with a seating
- 64 capacity of at least 88 patrons.
- 65 e. At least 600 paid-up golf or social members who have
- 66 paid a membership initiation fee of not less than two thousand
- 67 dollars (\$2,000) per family or individual membership.
- 68 f. Membership policies whereby membership is not denied
- 69 or impacted by an applicant's race, color, creed, religion, or
- 70 national origin.
- 71 g. A full-time management staff for the social
- 72 activities of the club, including the management of the
- 73 premises where food and drink are sold.
- 74 (c) In addition to the limitations specified in Section
- 75 35-8B-3, with regard to a community development district
- 76 defined in subsections (a) and (b), alcoholic beverages shall
- 77 be sold only for on-premises consumption, as defined in
- 78 Section 35-8B-3(a)(3), and in regard to a community
- 79 development district defined in subsection (b), alcoholic
- 80 beverages shall not be sold within 3,000 feet of the south
- 81 right-of-way of any state or federal highway adjacent to any
- 82 such district.
- 83 (d) (1) "Community development district" also means a
- 84 private residential development that may or may not include



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85 additional contiguous privately-owned property used for  
86 residential, social, commercial, or charitable purposes that  
87 meets all of the following criteria:

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

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

95 c. Has all of the following:

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

97 2. An amenity complex to include a fitness center and a  
98 swimming pool.

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

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

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

104 6. At least 200 paid-up golf or club memberships paid  
105 initially by either the developer, residential landowners, or  
106 commercial entities located within the district at the rate of  
107 at least five hundred dollars (\$500) per membership provided  
108 the developer reserves the right through residential and  
109 commercial lease and purchase agreements to require additional  
110 membership and initiation fees and further provided the  
111 developer has the discretion to restrict use of the golf  
112 course to district landowners and guests or at the developer's



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113 discretion to extend use of the golf course to the general  
114 public subject to fees set and determined by the developer  
115 which may differ from fees applicable to residential and  
116 commercial lease and purchase agreements.

117 7. Membership policies whereby membership is not denied  
118 or impacted by an applicant's race, color, religion, or  
119 national origin.

120 d. May include a multi-purpose use entertainment  
121 facility with a minimum capacity to accommodate at least 7,500  
122 patrons.

123 e. May include commercial establishments.

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

130 (e) "Community development district" also means a  
131 commercial district located in a wet county that does not  
132 authorize Sunday sales and outside the corporate limits and  
133 police jurisdiction of any municipality and which has a  
134 restaurant with a seating capacity of at least 120, a  
135 grocery-delicatessen, riding stables and riding trails, a  
136 community information center, outdoor programming activities,  
137 and rural lifestyle demonstrations.

138 (f) "Community development district" also means a  
139 commercial district located in a wet county that does not  
140 authorize Sunday sales, has a restaurant with a seating



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141 capacity of at least 120, is adjacent to a marina with at  
142 least 34 boat slips, and is located on property where the  
143 marina and restaurant are under common ownership.

144 (g) "Community development district" also means a  
145 commercial district that includes a marina located on a river  
146 in an unincorporated area of a wet county that does not  
147 authorize seven-day sales with two separate food and beverage  
148 buildings with a combined space of at least 7,500 square feet  
149 connected by a boardwalk and separated by a patio with an  
150 entertainment stage.

151 (h) "Community development district" also means a  
152 commercial district located in a dry county that shares a  
153 geographic border with another state, has an elevation of at  
154 least 1,500 feet, and has a recreational waterway, specialty  
155 shops and restaurants, summer camps and retreat centers, an  
156 art gallery, and annual festivals showcasing the area.

157 (i) (1) "Community development district" also means a  
158 commercial district that borders on a lake that is formed by  
159 an impounded reservoir of a river whose source is in a federal  
160 wilderness area and has a marina with not less than 30 boat  
161 slips and a restaurant with seating capacity of not less than  
162 100 seats of which not less than 50 seats must be inside  
163 seating and is located on property where the marina and  
164 restaurant are under common ownership. In addition to any  
165 other requirements by law, the restaurant shall obtain a  
166 business license from the local governing body having primary  
167 jurisdiction of the property where the restaurant is located  
168 and shall be subject to additional regulation as determined



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169 necessary by the local governing body. Only one restaurant  
170 license per community development district shall be allowed.

171 (2) The sale of any alcoholic beverages in any  
172 community development district established under this  
173 subsection shall be subject to a tax levied by the county on  
174 any sale at the same rate as the tax on any sale of liquor in  
175 the largest municipality in the county in which the district  
176 is established and shall be distributed as provided in Section  
177 35-8B-5.

178 (j) "Community development district" also means a  
179 parcel of real property that meets all of the following  
180 criteria:

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

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

183 (3) It is located partially in a dry county and  
184 partially in a wet county.

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

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

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

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

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

194 (l) "Community development district" also means a  
195 commercial district located in a wet county that does not  
196 authorize Sunday sales which district is composed of resort





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197 property consisting of 3,000 or more contiguous acres under  
198 common ownership, has a public golf course with a practice  
199 area and clubhouse, has a restaurant on the property, has  
200 overnight accommodations consisting of 40 or more guest  
201 suites, and has a shooting range.

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

206 (1) The development was originally developed by  
207 entities owned by the same family.

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

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

214 (4) It contains a platted subdivision of not less than  
215 90 homesites, including homes available for vacation rental  
216 with plans for additional development.

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

220 (n) "Community development district" also means a  
221 commercial district located in a wet county that does not  
222 authorize Sunday sales, has a restaurant with a seating  
223 capacity of at least 96 seats inside and 24 seats outside, is  
224 located on a lake and adjacent to docking facilities and boat



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225 slips for at least 24 boats, is licensed only to sell beer and  
226 wine, and is located on property where the restaurant and boat  
227 slips and docking facilities are under common ownership.

228 (o) "Community development district" also means  
229 privately owned property that meets all of the following  
230 criteria:

231 (1) It is used for social purposes.

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

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

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

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

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

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

247 (1) The property is in a county bordering on two other  
248 states.

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

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



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253 (q) (1) "Community development district" also means  
254 privately owned property that meets all of the following  
255 criteria:

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

259 b. It consists of at least 60 acres.

260 c. It has facilities on the property which employ a  
261 full-time management staff for the social activities of the  
262 facilities, including the management of the premises where  
263 food and drink are sold.

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

267 e. It has concerts and other family-oriented events  
268 held on the property.

269 f. It has overnight accommodations with the capacity to  
270 sleep at least 70 individuals.

271 g. It has at least five fishing ponds.

272 h. It has an amphitheater for outdoor entertainment  
273 events.

274 i. It has a chapel for wedding services.

275 j. It has an RV park with a capacity of at least four  
276 RVs.

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

279 l. It has an outdoor stage.

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



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281 community development district established under this  
282 subsection shall be subject to a tax levied by the county on  
283 any sale at the same rate as the tax on any sale of liquor in  
284 the largest municipality in the county in which the district  
285 is established and shall be distributed as provided in Section  
286 35-8B-5.

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

289 a. It is located in a dry county that shares a border  
290 with another state and which contains at least one wet  
291 municipality, but the property is located outside the  
292 corporate limits of any municipality.

293 b. It is adjacent to a river flowing through two  
294 adjoining states.

295 c. It has at least one restaurant with a seating  
296 capacity of at least 40 patrons.

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

299 e. It contains over 100 residential sites, platted and  
300 recorded.

301 f. It contains streets that are, or will be, built with  
302 private funds.

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

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



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309 Board shall be authorized in a community development district  
310 defined under this subsection and Section 35-8B-3 shall not  
311 apply.

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

316 a. Is a size of at least 500 or more acres of  
317 contiguous land area;

318 b. Is located in a dry county that has one or more wet  
319 municipalities, but is located outside the corporate limits of  
320 any wet municipality;

321 c. Has a hotel or lodge or rental homes with a minimum  
322 of 100 rooms;

323 d. Has at least one 18-hole golf course of regulation  
324 size;

325 e. Has a marina with not less than 50 boat slips or  
326 storage spaces;

327 f. Has a clubhouse;

328 g. Has more than one restaurant, bar, or tavern or  
329 other eatery used exclusively for the purpose of preparing and  
330 serving meals or beverages or both, seven days per week, with  
331 at least one restaurant having a seating capacity for at least  
332 50 patrons;

333 h. Has a conference center;

334 i. Has membership policies that provide that membership  
335 is not denied or impacted by an applicant's race, color,  
336 creed, religion, or national origin.



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337           (2) In a community development district as defined in  
338 this subsection, alcoholic beverages shall be sold only by  
339 licensees of the Alabama Alcoholic Beverage Control Board for  
340 consumption, including Sunday sales, within or on a licensee's  
341 property and as otherwise provided herein. An Alcoholic  
342 Beverage Control licensee in the district may operate a  
343 resort-owned luxury fine dining dinner cruise and special  
344 events yacht which may serve meals or alcoholic beverages, or  
345 both, while on the water, provided, the following minimum  
346 criteria are met: (i) length of not less than 60 feet; (ii)  
347 U.S. Coast Guard approved seating capacity of not less than  
348 40; and (iii) operated by a USCG licensed captain. The  
349 restaurant or tavern shall obtain a business license from the  
350 local governing body having primary jurisdiction of the  
351 property where the restaurant is located and shall be subject  
352 to additional regulation as determined necessary by the local  
353 governing body.

354           ~~(s)~~t. If a community development district is located in  
355 any county, including within any wet or dry municipality  
356 located within the county, the county shall participate in the  
357 distribution of taxes and license fees pursuant to Chapters 3  
358 and 3A of Title 28.

359           ~~(t)~~u. Any alcohol revenues received by a county under  
360 Act 2007-417 shall offset in an equal amount any T.V.A.  
361 in-lieu-of-taxes payments received by the county. Any T.V.A.  
362 in-lieu-of-taxes payments replaced by alcohol revenues under  
363 this subsection shall be distributed to T.V.A.-served  
364 counties.



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365           ~~(u)~~v. If a community development district established  
366 prior to June 1, 2014, becomes a new municipality pursuant to  
367 Sections 11-41-1 and 11-41-2, the section requiring a vote of  
368 the residents of the property described in the petition, the  
369 new municipality created thereby shall be wet and the sale and  
370 distribution of alcoholic beverages therein shall be  
371 authorized to the full extent of any other wet municipality.  
372 In addition to the other requirements for incorporating into a  
373 municipality set forth in Sections 11-41-1 and 11-41-2, the  
374 petition shall provide notice to potential voters that if the  
375 new municipality is incorporated it shall be wet."

376           "§35-8B-2

377           The exclusive and uniform method for the establishment  
378 of a community development district shall be by the filing of  
379 the articles of establishment of a community development  
380 district with the judge of probate of the county in which the  
381 district is to be located, or if located in more than one  
382 county, of the county wherein is located the largest area of  
383 the community development district.

384           (1) The articles of establishment of a district defined  
385 in subsection (a) of Section 35-8B-1 shall contain the  
386 following:

387           a. The written consent to the establishment of the  
388 district by the owner or owners of at least 51 percent of the  
389 real property to be included in the district, or documentation  
390 demonstrating that the petitioner has control by deed, trust  
391 agreement, contract, or option of at least 51 percent of the  
392 real property to be included in the district.



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393           b. A metes and bounds description of the external  
394 boundaries of the district, with a specific metes and bounds  
395 description of any real property within the external  
396 boundaries of the district, which is to be excluded from the  
397 district.

398           c. A schematic layout of the proposed district with a  
399 map of the proposed and existing residential subdivisions,  
400 streets, and roads in the district, and of the building and  
401 grounds to be used in common by members of the club operating  
402 in the district, together with a commitment that the owner or  
403 owners of the real property located within the district will  
404 bear the costs of the construction of such proposed streets  
405 and roads, if such proposed roads and streets do not exist on  
406 the day the articles of establishment are filed.

407           d. The proposed name of the district, and the location  
408 and the mailing address of the principal office of the  
409 district.

410           e. A designation of five persons to be the initial  
411 members of the board of control of the district, two of whom  
412 shall serve in that office until replaced by elected members;  
413 provided, the two elected members of the board of control  
414 shall be elected by the members of the club who may vote in  
415 person or by proxy in writing at an annual meeting of the  
416 district, which date shall be specified in the petition. Each  
417 club member shall be entitled to cast one vote. The two  
418 candidates receiving the highest number of votes shall be  
419 elected to the board of control for a period of one year, or  
420 until his or her successor shall be duly elected. Upon the





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421 death or resignation of a non-elected member of the board of  
422 control, the remaining board members shall elect, by majority  
423 vote at a called board meeting, a new non-elected board  
424 member.

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

428 a. The written consent to the establishment of the  
429 district by the owner of the real property to be included in  
430 the district.

431 b. A metes and bounds description of the external  
432 boundaries of the district.

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

436 d. The proposed name of the district and the location  
437 and the mailing address of the principal office of the  
438 district.

439 e. A designation of members of the board of governors  
440 of the club operating in the district who shall be the members  
441 of the board of control of the district.

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

446 a. The written consent to the establishment of the  
447 district by the owner of the real property to be included  
448 within the district.



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449           b. A metes and bounds description of the external  
450 boundaries of the district.

451           c. A schematic layout of the proposed district with a  
452 map of the buildings and grounds to be used in common by  
453 guests in the district.

454           d. The proposed name of the district and the location  
455 and the mailing address of the principal office of the  
456 district.

457           e. A designation of members of the board of governors  
458 of the district who shall be elected by the owner of the real  
459 property included in the district.

460           (4) The articles of establishment and two copies  
461 thereof shall be delivered to the ~~probate judge~~judge of  
462 probate who shall, upon the payment of the fees hereinafter  
463 prescribed:

464           a. Endorse on the articles and on each of the copies  
465 the word "Filed," and the hour, day, month, and year of the  
466 filing thereof.

467           b. File the articles in his or her office and certify  
468 the two copies thereof.

469           c. Issue a certificate of establishment to which he or  
470 she shall affix one certified copy of the articles of  
471 establishment, and return the certificate with a certified  
472 copy of the articles of establishment affixed thereto to the  
473 district.

474           (5) Upon the filing of the articles of establishment of  
475 the community development district with the ~~probate judge~~judge  
476 of probate, the district's existence shall begin.



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477           (6) In lieu of all other charges and fees for a  
478 community development district formed under Section  
479 35-8B-1(a), (b), or (d), the ~~probate judge~~judge of probate  
480 shall charge and collect for filing the articles of  
481 establishment and issuing a certificate of establishment, one  
482 thousand dollars (\$1,000) payable to the municipality in which  
483 is located the largest area of the community development  
484 district if located in a municipality, and if not, to the  
485 county in which is located the largest area of the community  
486 development district and three hundred fifty dollars (\$350) to  
487 the county for the purpose of providing additional funds for  
488 the office of the ~~probate judge~~judge of probate. On or before  
489 the anniversary date of the filing of the articles of  
490 establishment, excluding the actual year of filing, the board  
491 of control shall pay to the ~~probate judge~~judge of probate a  
492 fee of three hundred fifty dollars (\$350) and a fee of one  
493 thousand dollars (\$1,000) payable to the municipality in which  
494 is located the largest area of the community development  
495 district if located in a municipality, and if not, to the  
496 county in which is located the largest area of the community  
497 development district for the purpose of providing additional  
498 funds for the office of the ~~probate judge~~judge of probate.

499           (7) In lieu of all other charges and fees for a  
500 community development district formed under Section  
501 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (o),  
502 (p), (q), ~~or~~ (r), or (s) the judge of probate shall charge and  
503 collect a one-time fee for filing the articles of  
504 establishment and issuing a certificate of establishment of



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505 five hundred dollars (\$500) payable to the county in which is  
506 located the largest area of the district for the purpose of  
507 providing additional funds to the judge of probate."

508           "§35-8B-3

509           (a) If a majority of the board of control of a  
510 community development district formed under Section  
511 35-8B-1(a), (b), or (d) consents to and approves the sale and  
512 distribution of alcoholic beverages within the district, it  
513 shall be lawful to sell and distribute alcoholic beverages in  
514 the community development district in the following manner and  
515 subject to the following terms, definitions, and conditions:

516           (1) Upon being licensed by the Alabama Alcoholic  
517 Beverage Control Board, alcoholic beverages may be sold by the  
518 club of the district to members and their guests for  
519 on-premises consumption only. The club shall be licensed to  
520 sell alcoholic beverages to its members and their guests as a  
521 club liquor retail licensee by the Alabama Alcoholic Beverage  
522 Control Board, upon the club's compliance with the provisions  
523 of the alcoholic beverage licensing code and the rules adopted  
524 thereunder. The original application shall be accompanied by a  
525 certificate from the board of control of the district in which  
526 the licensed club is located, consenting to and approving the  
527 sale of alcoholic beverages at the club. The club shall not be  
528 required to present its application or obtain the consent and  
529 approval of any authority other than the board of control of  
530 the district.

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



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533 (3) ON-PREMISES CONSUMPTION. Consumption on the  
534 property of the club, including the club house, the golf  
535 course, and other recreational facilities of the club. Sales  
536 of alcoholic beverages for on-premises consumption shall be  
537 made only by authorized charge to a member's account.

538 (b) If a majority of the board of control of a  
539 community development district formed pursuant to Section  
540 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (p),  
541 ~~or~~ (q), or (s) consents to and approves the sale and  
542 distribution of alcoholic beverages within the district for  
543 seven days a week, any person within the district licensed by  
544 the Alabama Alcoholic Beverage Control Board may sell  
545 alcoholic beverages in the district for on-premises  
546 consumption.

547 (c) If a majority of the board of a community  
548 development district formed pursuant to Section 35-8B-1(h)  
549 consents to and approves the sale of alcoholic beverages  
550 within the district for seven days a week, any person within  
551 the district with the appropriate license from the Alabama  
552 Alcoholic Beverage Control Board may sell alcoholic beverages  
553 in the district for on-premises or off-premises consumption,  
554 subject to approval by a referendum as provided herein.

555 (1) If the community development district is situated  
556 entirely within the corporate limits of a municipality, then  
557 upon a petition by the board of the district being filed with  
558 the city or town clerk or governing body of the municipality,  
559 the governing body must call a municipal referendum election  
560 on the question of whether to authorize the sale of alcoholic



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561 beverages in the district as provided in the petition. The  
562 municipal election shall be held at the time of the primary,  
563 general, county-wide, or municipal election next succeeding  
564 the date of the filing of the petition but not less than 82  
565 days from the date of the filing of the petition. The cost of  
566 the municipal election, including the cost of notice by  
567 publication, shall be paid out of the general fund of the  
568 municipality.

569 (2) If the community development district is not  
570 situated entirely within the corporate limits of a  
571 municipality, then upon a petition by the board of the  
572 district being filed with the ~~probate judge~~judge of probate of  
573 the county, the ~~probate judge~~judge of probate must call a  
574 county-wide referendum election on the question of whether to  
575 authorize the sale of alcoholic beverages in the district as  
576 provided in the petition. The county-wide election shall be  
577 held at the time of the regularly scheduled primary or general  
578 election next succeeding the date of the filing of the  
579 petition but not less than 82 days from the date of the filing  
580 of the petition. The cost of the election, including the cost  
581 of notice by publication, shall be paid out of the general  
582 funds of the county.

583 (3) Notice of any referendum election called pursuant  
584 to the provisions hereof shall be given by the city or town  
585 clerk for municipal elections, or by the ~~probate judge~~judge of  
586 probate for county-wide elections, by publication at least  
587 three weeks before the date of the election, in a newspaper in  
588 the municipality or county, as appropriate, or, if there be



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589 none, by posting the notice at the town or city hall or county  
590 courthouse, as appropriate, apprising the voters of the  
591 municipality or county that an election will be held to  
592 determine whether alcoholic beverages may be sold within the  
593 district as provided in the petition.

594 (4) If a majority of the electors voting in a  
595 referendum called pursuant hereto votes "yes" in favor of the  
596 question, then the sale of alcoholic beverages in the district  
597 as provided in the petition shall be authorized. If a majority  
598 of the electors votes "no," then the sale of alcoholic  
599 beverages in the district shall be authorized only as provided  
600 by the laws in effect for the district prior to the filing of  
601 the petition, and the board of the community development  
602 district shall not file another petition under this subsection  
603 within 12 months of the referendum election.

604 (d) (1) In any community development district formed  
605 pursuant to Section 35-8B-1(e) or (f) in which the sale of  
606 alcoholic beverages has been approved pursuant to this  
607 section, the board of that district may establish an  
608 entertainment district within the district, which may not  
609 exceed one-half mile by one-half mile in area, but may be  
610 irregularly shaped.

611 (2) The Alabama Alcoholic Beverage Control Board may  
612 issue an entertainment district designation to any retailer  
613 licensee that is licensed to sell alcoholic beverages for  
614 on-premises consumption and to any manufacturer licensee that  
615 conducts tastings or samplings on the licensed premises,  
616 provided the licensees are located in an entertainment



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617 district established pursuant to this subsection.

618 (3) Notwithstanding any provision of law to the  
619 contrary, a licensee who receives an entertainment district  
620 designation under this subsection shall comply with all laws  
621 and rules governing its license type, as well as the  
622 limitations specified in this section, except that patrons,  
623 guests, or members of that licensee may exit that licensed  
624 premises with open containers of alcoholic beverages and  
625 consumer alcoholic beverages anywhere within the confines of  
626 the entertainment district.

627 (4)a. For purposes of this subsection, the term  
628 "on-premises" as applied to consumption within the  
629 entertainment district shall include anywhere within the  
630 district.

631 b. The permission granted by this subsection permitting  
632 the consumption of alcoholic beverages anywhere within the  
633 confines of the entertainment district shall not be construed  
634 to extend the confines of the licensed premises.

635 (5) The operation of an entertainment district  
636 established in a community development district pursuant to  
637 this subsection shall not be affected by any future annexation  
638 of that district or any part of that district into a  
639 municipality.

640 (e) In addition to the limitations specified in this  
641 section, with regard to a community development district  
642 defined in subsections (a) and (b), alcoholic beverages shall  
643 be sold only for on-premises consumption, as defined in  
644 subdivision (a)(3), and in regard to a community development





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645 district defined in subsection (b), alcoholic beverages shall  
646 not be sold within 3,000 feet of the south right-of-way of any  
647 state or federal highway adjacent to any such district."

648 Section 2. This act shall become effective on July 1,  
649 2024.

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650  
651  
652 Senate

653 Read for the first time and referred .....16-Apr-24  
654 to the Senate committee on Fiscal  
655 Responsibility and Economic  
656 Development

657  
658 Read for the second time and placed .....25-Apr-24  
659 on the calendar:  
660 0 amendments

661  
662 Read for the third time and passed .....30-Apr-24  
663 as amended  
664 Yeas 34  
665 Nays 0  
666 Abstains 0

667  
668  
669 Patrick Harris,  
670 Secretary.  
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