

1 SB337
2 219640-1
3 By Senator Whatley
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 31-MAR-22

SYNOPSIS: Under existing law, the Alcoholic Beverage Control Board issues various licenses to producers, wholesalers, and retailers of alcoholic beverages.

This bill would create a new type of alcoholic beverage license that would authorize certain public universities that have a hospitality management program to produce, transfer, and sell alcoholic beverages on the licensed premises of the university in furtherance of its academic program.

This bill would also specify the activities authorized under the license and provide for license fees.

A BILL
TO BE ENTITLED
AN ACT

Relating to alcoholic beverages; to create a Hospitality Management Program license issued and regulated by

1 the Alcoholic Beverage Control Board; to specify authorized
2 activities; and to provide for license fees.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) As used in this section, the term
5 state university means a public two-year institution of higher
6 education that has its own campus police department or a
7 four-year institution of higher education.

8 (b) Upon compliance by an applicant with this
9 section and Chapter 3A of Title 28, Code of Alabama 1975, and
10 the rules adopted thereunder, the Alcoholic Beverage Control
11 Board may issue a Hospitality Management Program license for
12 any state university that operates a school or college that
13 offers bachelors or associate degrees in Hospitality
14 Management, Hospitality Sciences, Hotel Management, Event
15 Management, Restaurant Management, or Culinary Sciences. A
16 Hospitality Management Program license may be issued to the
17 state university upon whose property the licensed premises is
18 located or to a third party licensee of the board that has
19 contracted with the state university to perform the licensed
20 activities on the premises located on the state university
21 campus.

22 (c) An application for a license under this section
23 must be accompanied by a certificate signed by the president
24 or equivalent chief executive officer of the state university
25 upon whose property the licensed premises is located. If the
26 applicant is a two-year institution of higher education, the

1 application must also be signed by the Chancellor of the
2 Alabama Community College System.

3 (d) Notwithstanding any provision of Title 28, Code
4 of Alabama 1975, including subdivision (a)(20) of Section
5 28-3A-25 and Section 28-3-4, Code of Alabama 1975, a
6 Hospitality Management Program license authorizes the licensee
7 to do all of the following:

8 (1) Operate distilleries, wineries, breweries, or
9 brewpubs, or any combination thereof, upon the premises of the
10 state university as necessary to effectuate the purpose and
11 mission of the state university and the academic programs
12 described in subsection (b), provided the operations shall be
13 in compliance with state and federal laws, rules, and
14 regulations and the licensee shall be approved and permitted
15 by the Alcohol and Tobacco Tax and Trade Bureau prior to
16 operating. The alcoholic beverages produced by the
17 distilleries, wineries, breweries, and brewpubs may be sold at
18 retail as further described in subdivision (4) or used for
19 teaching purposes.

20 (2) Conduct or support classes, seminars, and labs
21 as deemed necessary on the licensed premises and on adjacent
22 board licensed premises, whether or not operated by the
23 licensee, alone or in support of the state university's
24 academic or other programs, or by other, third-party board
25 retail licensees. The licensee may work in conjunction with
26 personnel of other, third-party licensees of the board and may
27 participate in activities of the state university. Students,

1 interns, or employees shall be considered employees, agents,
2 or servants of the licensees for the determination of
3 liability.

4 (3) Lease an area on the licensed premises to the
5 Alcoholic Beverage Control Board for use, if requested, to
6 facilitate the traffic of alcoholic beverages to other board
7 retail licensees located on the property that participate in
8 the activities of the state university. With approval of the
9 board, the licensee may be permitted to maintain a central
10 storage area for alcoholic beverages produced by the licensee
11 and to transfer and distribute the alcoholic beverages to
12 other areas or operations on the licensed premises or other
13 areas on the state university's campus, but may not leave the
14 campus except as otherwise authorized pursuant to Title 28,
15 Code of Alabama 1975.

16 (4) Purchase other liquor and wine from the board,
17 or as authorized by the board; purchase table wine and beer
18 from any wholesale licensee of the board; and sell liquor,
19 wine, and beer dispensed from containers of any size, to
20 include draft or keg beer, for on-premises consumption or
21 off-premises consumption each day of the week, including
22 Sundays. The sale of alcoholic beverages shall be in
23 furtherance of the educational mission of the state university
24 and the academic programs described in this section, and shall
25 be confined to those buildings, facilities, and grounds that
26 comprise the premises licensed pursuant to this section.

1 (e) A licensee may not manufacture 60,000 or more
2 barrels of beer per year on its licensed premises, and beer
3 sold for off-premises consumption may not exceed 864 ounces
4 per customer per day.

5 (f) There is levied and assessed, upon all alcoholic
6 beverages manufactured and sold at retail as provided in this
7 section, the privilege or excise tax imposed on the sale of
8 beer by Sections 28-3-184 and 28-3-190, Code of Alabama 1975;
9 imposed on the sale of table wine by Section 28-7-18, Code of
10 Alabama 1975; and imposed on the sale of liquor by Sections
11 28-3-200 through 28-3-205, Code of Alabama 1975, in the same
12 manner as provided in those sections.

13 (g) A licensee shall maintain Responsible Vendor
14 Program training records.

15 (h) A licensee shall post in each of its locations
16 where alcoholic beverages are served at least one sign warning
17 customers that the sale of alcoholic beverages to patrons
18 under 21 years of age is strictly prohibited. The sign shall
19 be posted at a point of sale or in any other location that is
20 visible to customers and employees.

21 (i) A licensee operating in compliance with this
22 section and any rules adopted by the board thereto shall not
23 be required to obtain any other license of the board under
24 Chapter 3A of Title 28, Code of Alabama 1975.

25 (j) An annual license fee of one thousand dollars
26 (\$1,000) is levied and prescribed for a Hospitality Management

1 Program license issued and renewed by the board pursuant to
2 this section and Chapter 3A of Title 28, Code of Alabama 1975.

3 Section 2. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or its otherwise becoming law.