ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD ADMINISTRATIVE CODE

CHAPTER 20-X-5 LICENSING

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20-X-5-.01 Information Required From Applicants For Alcoholic Beverage Licenses.

(1) Every applicant for an ABC Board license, in addition to information and statements required under Title 28, Code of Ala. 1975, shall also give the ABC Board, as part of the application, the following:

(a) The name, date, place of birth, address, telephone number, race, gender, driver's license number, and social security number of every person who has any proprietary or profit interest in the licensed establishment, except in the case of public corporations, whose shares are traded on a recognized stock exchange.

(b) The true, correct, and complete criminal court record of all arrests and subsequent dispositions for the past ten years of the applicant and any other person having a proprietary or profit interest in excess of 10 percent therein; and in the case of corporations, clubs and associations, of each officer and/or member of the board of directors of such corporation, club, or association. Minor vehicular offenses may be omitted; however, driving while under the influence and reckless driving cases shall be disclosed. In giving such information, there shall be included the name of the court(s) and the disposition of each matter. The information, as provided and verified, will be used to consider each application.

(c) In the case of applications by corporations, clubs, and associations, the person(s) making such application shall certify to the correctness, truthfulness and completeness of the application and shall provide the ABC Board with their authority to offer such application.

(d) As a privilege of holding an ABC license or permit, the applicant/licensee, shall at all times, allow authorized personnel of the ABC Board or commissioned law enforcement officers of the state, county, or municipality in which the licensed establishment is located, to enter and search, without a warrant, the licensed premises or any building owned or occupied by the licensee in connection therewith, adjoining, adjacent to, or part of the curtilage thereof, whether used as a private dwelling or not, at any time.

(e) Upon request, the applicant shall provide evidence of primary source of funds, whether owned or borrowed, to be applied in the establishment or acquisition of the business.

(f) Evidence of ownership, lawful possession, or lease of the real property where the applicant’s business will be located, as follows:

1. If applicant owns property, a copy of the recorded deed as evidence of ownership.

2. If applicant has a contract to purchase property, a copy of the recorded sales contract.

3. If applicant has obtained lawful possession or a use agreement for use of property, evidence thereof must be approved and approved by the ABC Board.

4. If applicant is leasing the property, a copy of the lease agreement, including information regarding:

(i) Lessor's primary business;

(ii) Lessor's involvement in any way with the alcoholic beverage business; and

(iii) Any further interest in or connection with the applicant's business by the lessor.

(g) The ABC Board or its personnel may require additional information from the applicant.

(2) In the event any false, incorrect, or incomplete information or statements are found on an application for a license, the license is subject to denial, revocation, or other disciplinary action by the ABC Board, at its discretion, and no waiver, estoppel, or laches will run against the State of Alabama, or the ABC Board, in connection with any false, incorrect, or incomplete information or statements made by an applicant on an application.

(3) It shall be the prerogative of the ABC Board as part of the license application procedure to verify the truthfulness and veracity of all information contained within a license application. Verification may include, but not be limited to, personal interviews and community comment, as well as a current criminal background information analysis/check. The ABC Board may consider a current criminal background information analysis/check to be one that has been generated within two years of the licensee’s current application period.

(4) Any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-3(b).
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.02 ABC Board License Application Procedure.

(1) On initial contact by an applicant, the ABC Board personnel will collect the filing fee and may assist in filling out the application, retaining the original and giving the applicant a copy upon request. Responsibility for the truth and veracity of all information provided by the applicant, shall in all cases, remain with the applicant.

(2) No alcoholic beverages shall be on the premises listed on the application until the license has been issued. Thereafter, all alcoholic beverages must be purchased in accordance with Chapter 3A of Title 28, Code of Ala. 1975.

(3) The applicant shall be responsible for providing a copy of the completed application to the appropriate local governmental authority for processing. The local authority will provide the ABC Board with written confirmation of their decision. The applicant shall be responsible for ensuring the governmental authority's decision is provided to the ABC Board.

(4) The ABC Board personnel, upon receiving the decision from the local authority, shall collect the appropriate license fee from the applicant.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-3(b).
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.03 Club Retail Liquor License.

(1) There shall be two classes of Club Retail Liquor Licenses as defined in Section 28-3-1(8), Code of Ala. 1975.

(2) With prior ABC Board approval, licensees who are valid United States Uniformed Services national organizations, may use the information required by their national membership application in lieu of the information required herein.

(3) Upon initial application for a Class I Club Retail Liquor License and with each renewal thereafter, the applicant shall present to the ABC Board as part of the application process, good and sufficient evidence that the applicant is a bona fide non-profit organization and exists solely for the object set forth in Section 28-3-1(8)(a)(b), Code of Ala. 1975.

(4)(a) All Class I and Class II membership applications shall contain at least the following:

1. Applicant's name and date of birth.

2. Home address and telephone number.

3. Occupation and place of employment.

(b) An applicant's true identity shall be verified by the club by use of any of the following:

1. A valid driver's license of any state.

2. A valid United States Uniformed Service Identification.

3. A valid passport.

4. A valid identification issued by any agency of a state for the purpose of identification, bearing a photograph and date of birth of the individual in question.

(c) Upon filing by an applicant of a bona fide membership application, a club may, at its discretion, issue a temporary membership card which will allow the applicant to use the facilities of the club until the application is processed. A temporary membership card shall only be valid for a maximum of thirty calendar days from date of issue. The issue date shall be printed on the temporary membership card. An applicant may receive only one temporary membership card per year, per club.

(d) A complete club membership record shall be maintained, showing the date of application of all proposed members, the date of admission after election, the date initiation fees and membership dues are paid and the amounts paid. The record shall also reflect the name of the applicant's sponsor and other remarks deemed desirable. This record shall be either on a standard form, a card index, or by an electronic method that is immediately transferrable to ABC Board employees. The record shall contain the name of the member, the address of the member and the serial number of the membership card issued. Dues shall be accumulated and posted to the proper column in the income records. A separate form or document shall be prepared for each member, and when members are removed or resign, their cards or document shall be removed from the active file and placed in an inactive file for a period of two years.

(e) Only a permanent club member may bring bona fide guests on the premises of the club at any time. The presence of a non-member, who is not a bona fide guest of a permanent club member, shall be a violation of this regulation. This is not intended to prohibit the presence of a club employee, or a person present solely in connection with the provision of services or materials to or for the club.

(f) A bona fide guest is deemed to be a person who has a social, civic, business, or charitable relationship with their host and shall not include persons whose primary purpose in attendance is for the pecuniary benefit of the club. The bona fide guest's host member shall not be an employee of the club then on duty.

(g) The club shall hold, at a minimum, an annual meeting of its members and elected officers. A list of attendees and the

annual minutes shall be retained and available for review by the ABC Board for a minimum of three years.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-1(8)(a)(b); 28-3-43; 28-3-49; 28-3A-3(b); 28-3A-12.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Filed May 2, 2001; effective June 6, 2001. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.04 Lounge Retail Liquor License.

(1) A Lounge Retail Liquor License may be issued to any person, partnership, association, or corporation authorized to do business in the State of Alabama once all state and local requirements are met and approval is granted.

(2) There shall be two classes of Lounge Retail Liquor Licenses.

(a) Class I will permit the licensee to sell alcoholic beverages for on-premises and off-premises consumption. All sales for off-premises consumption shall be in original unopened containers.

(b) Class II will permit the licensee to sell alcoholic beverages only for off-premises consumption in the original unopened containers, except wine in a pre-mixed formula, which does not include any other alcoholic beverage additives and may be used in machines to make frozen beverages and repackaged in containers approved by the board and shall comply with the requirements of 20-X-5-.13.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-23.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021. **Amended:** Published September 29, 2023; effective November 13, 2023.

20-X-5-.05 Restaurant Retail Liquor License.

(1) Restaurant Retail Liquor licenses shall be issued only to reputable persons for locations which are "habitually and principally" used for the purpose of preparing and serving meals, as defined in 20-X-2-.01, for the public to consume on the licensed premises during normal and reasonable dining hours. Only those locations whose customary and primary business is preparing and serving meals to the public will be issued a Restaurant Retail Liquor license.

(2) Restaurant Retail Liquor license applicants shall comply with all pertinent and related requirements of state, county, and where applicable, municipal health departments prior to licensing and shall remain in compliance thereafter for as long as the license shall remain valid.

(3) All Restaurant Retail Liquor licensees shall have a fully equipped and operational kitchen on the licensed premises. The licensee shall maintain and operate the kitchen and shall, upon order of a customer, prepare and serve all food items shown on its menu. The kitchen shall be stocked sufficiently with food items. Exceptions shall be made where there is a known and provable shortage or temporary unavailable supply of a food item.

(4) A Restaurant Retail Liquor applicant or licensee shall, upon request, provide to the ABC Board, any records, books, ledgers, menus, receipts, or other documentation necessary to demonstrate compliance with this regulation.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-1(22); 28-3-49; 28-3A-13.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.06 Package Sales.

Lounge Retail Liquor licensees and Club Liquor Retail licensees are authorized to sell alcoholic beverages for off-premises consumption only in original unopened containers, except Lounge Retail Liquor Licensees may sell wine in a pre-mixed formula, which does not include any other alcoholic beverage additives and may be used in machines to make frozen beverages and repackaged in containers approved by the board.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-11; 28-3A-12.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021. **Amended:** Published September 29, 2023; effective November 13, 2023.

20-X-5-.07 Separate Facilities/Adjoining Facilities - Licenses Required.

(1) Separate ABC licenses shall be obtained for a place of business with two or more entrances which lead to separate rooms where alcoholic beverages are sold or served.

(2) It is not the intent of this regulation to require two licenses when multiple entrances lead into one room or more than one room under the same management, if all areas are connected by passages or doors ordinarily used by patrons who are customarily served from the same stock of alcoholic beverages (when all other requirements of Alabama law are met).
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-23(e).
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.08 Renewal Of Alcoholic Beverage License.

(1) A renewal application for an alcoholic beverage license must be filed with the ABC Board on or before August 1 of each year. No renewal application will be accepted unless accompanied by the appropriate state and county license fees.

(2) Any alcoholic beverage license may be renewed without penalty during the following fiscal year between October 1 and October 20 and may continue to be renewed after October 20 of such license year by payment of appropriate state and county licensing and filing fees and a penalty of fifty percent thereof. If a license is not renewed before midnight September 30 of the succeeding license year, the license shall terminate with no privilege of renewal. Thereafter, a new application shall be made and a new license issued before continuation of the business.

(3) When an original alcoholic beverage license is issued after August 1 of a license year, a renewal application shall be filed online immediately after the issuance of the original license.

(4) No alcoholic beverage licensee may purchase, receive, store, ship, sell or give away any alcoholic beverage(s) or enjoy any of the rights and privileges of the license after the expiration thereof.

(5) Objections and protests concerning alcoholic beverage licenses shall be submitted to the ABC Board within a reasonable time prior to June 1, sufficient for the ABC Board to process the protests and to notify the licensee within the prescribed time period. Interested parties which may lodge license objections or protests include, but are not limited to: state, county and municipal governmental agencies.

(6) The ABC Board may exercise broad discretion in granting, denying or renewing any license.

(7) Licensees are responsible for the accuracy and truthfulness of all data, including updating contact information, as required in

the online renewal system. Falsifying information may result in disciplinary action, including but not limited to, revocation of the license.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-5.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.09 Change Of Ownership, Management, Trade Name Or Name Of Contact Information Of Licensed/Permitted Establishments.

(1) ABC Board licenses shall be deemed to expire, terminate, or otherwise be void when there is a substantial change of ownership in the licensed business; when a licensed business is leased, rented or abandoned, or when possession is otherwise surrendered to another party or parties. However, a license may be transferred as provided by statutes and these regulations. A license issued to a corporation does not terminate by transfer of ownership of its stock, and no transfer of license is required even with a complete change in ownership of the capital stock of a corporate licensee, although the provisions of section (4), below, do apply.

(2) Upon the death of an individual licensee, sale of the licensed business, temporary closing of the licensed business, or other interruption in the operation of a licensed business, the license shall immediately be delivered to the local ABC Board field office, to be held pending the reopening of said business according to these regulations. However, where there is a surviving partner in a partnership entity possessing a license, or a surviving spouse of a deceased licensee, such survivor may complete the current license year operating as a licensee, having the same rights and responsibilities as the named licensee, without obtaining a new license, provided: (a) the survivor notifies the ABC Board in writing within twenty (20) days after the death of the licensee, and (b) the survivor is otherwise qualified to hold a license. A surviving spouse or partner must complete a new application in his/her own name and receive local and state approval prior to operation the next license year.

(3) When a licensed corporation elects new officers or directors, said corporation shall notify the ABC Board in writing within twenty (20) days thereafter. This letter shall contain the names, positions, social security numbers, places of birth, dates of birth, home addresses and how long the newly-elected officials have lived at said addresses. Social security numbers shall be disclosed for investigative purposes only. No person shall serve as a director or officer, of a licensed corporation who is otherwise unqualified to obtain an original license in their own name. This section shall not apply to corporations whose shares

are customarily and regularly traded or sold on recognized stock exchanges.

(4) When ownership of 20% or more of a corporation's shares is transferred or there accrues a 20% transfer of shares since the licensing year began, a corporation shall notify the ABC Board in writing within twenty (20) days thereafter. The letter shall contain the name of the person(s) to whom the stock was transferred, social security number, place of birth, date of birth, home address, how long the stock transferee has lived at that address and what quantity of shares was transferred. The licensee's social security number shall not be disclosed for public record. No person shall own shares through transfer or accrual in a licensed corporation who is otherwise unqualified to obtain an original license in their own name. The ABC Board Hearing Commission shall have discretion in determining the qualifications of any transferee of stock shares, and may in its discretion, suspend the corporation's license during the period of time that the unqualified shareholder retains ownership of said shares. This section shall not apply to corporations whose shares are customarily and regularly traded or sold on recognized stock exchanges.

(5) When a non-corporate licensee has a change of ownership effecting 20% or more thereof, the licensee shall notify the ABC Board in writing within twenty (20) days thereafter. No person shall become the owner or otherwise hold interest in the operation of a non-corporate licensed premise who is otherwise unqualified to obtain an original license in their own name.

(6) Additional information concerning licensed businesses shall be submitted when requested by the ABC Board.

(7) In the event an ABC Board licensee changes its trade name and/or contact information other than as provided, the licensee must notify the ABC Board, in writing, within 20 days of such change. Contact information includes, but is not limited to, e-mail, telephone number, and mailing address.

(8) Any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-23.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Filed May 2, 2001; effective June 6, 2001. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.10 License Transfer.

(1) Any alcoholic beverage license may be transferred once in any license year from one location to another, within the same governing jurisdiction, upon approval by the ABC Board. Any alcoholic beverage license may also be transferred once in any license year from one licensee to another person, corporation or association for that particular location, upon approval by the ABC Board.

(2) Before a license may be transferred from one licensee to another person, a transferee must:

(a) Be qualified to receive an original license.

(b) Pay a non-refundable filing fee of $50.00 to the ABC Board.

(c) File a transfer application, as if applying for an original license, within twenty (20) days after the transferee assumes control of the licensed premises; if alcoholic beverages are possessed or sold at said location, the original licensee shall continue to be responsible for the conduct and operation of this aspect of the business until the ABC Board approves said transfer and issues the appropriate license.

(d) Complete the transfer application process and secure any necessary local governing authority approval, within sixty (60) days after notification to the ABC Board of said intent to transfer.

(3) Upon failure of a transferee to submit a completed application in a timely manner as provided herein, the transfer application will be deemed void and the original licensee shall either resume control and operation of the licensed premises within five days thereafter or the license shall then be void.

(4) It shall be the responsibility of a transferor to remain apprised of all activity associated with a transfer application.

(5) A license shall not be transferred if:

(a) The ABC Board has denied or refused to renew a license to the transferee, if said action was based in part on the transferee's qualifications, conduct, or fault within the last five (5) calendar years.

(b) The ABC Board has suspended any license held by the transferee, or imposed fines against the transferee in a

cumulative amount of $1,000.00 or more, within the last three (3) calendar years.

(c) A transferor or transferee is the subject of:

(i) A pending criminal action,

(ii) A pending disciplinary action,

(iii) A pending audit by the ABC Board, or

(iv) A license renewal protest before the ABC Board or any court of competent jurisdiction.

(d) A third party has made application for a license at the proposed location for which the transfer is sought and which is still pending.

(e) Taxes, fines, or license fees are currently due and payable on the transferor's license.

(f) Prior to approval of the transfer, the transferor withdraws consent to transfer or fails to timely renew the license.

(6) An application for a location transfer will not be accepted if there is pending, an existing application for an ownership transfer, nor will an application for an ownership transfer be accepted if there is pending, an existing application for a location transfer.

(7) The ABC Board may exercise its broad discretion in granting or denying any license transfer application.

(8) For purposes of this regulation, the term ABC Board shall include the ABC Board Hearing Commission.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-23(j)(k).
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.11 Suspension Or Revocation Of License.

(1) Upon suspension or revocation of a license and during the interim between the date on which notice of final adjudication of suspension or revocation is given to the licensee and the effective ending date of the suspension or revocation, the licensee is prohibited from purchasing alcoholic beverages under the license.

(2) During a period of suspension, no new or different license will be issued to any other applicant for the same location or in the same business name, as that of the suspended license; provided, however, this section is not intended to prohibit innocent landlords or lessors from exercising contractual rights under a rental agreement or a written lease in the event of default by a tenant or lessee.

(3) Immediately following a final adjudicated decision on the question of suspension or revocation, a notice thereof shall be provided to appropriate peace officers in the county where the affected license is located. Notice shall also be provided to wholesale licensees operating in the territory of the affected license.

(4) During a period of suspension, no alcoholic beverages may be possessed on the licensed premises, nor may a licensee permit others to bring, possess, or consume alcoholic beverages on the licensed premises. As an alternative, the licensee may choose to cease all operations on the licensed premises, which shall remain locked during the period of suspension.

(5) Upon the effective date of a suspension or revocation, merchandisable alcoholic beverages legally purchased by the licensee may be purchased by the ABC Board at eighty percent of the current ABC Board list price or the Board may approve the sale of such alcoholic beverages to another licensee of the ABC Board. Any other sale of such alcoholic beverages is prohibited.

(6) During the period of suspension or revocation of an ABC Board license, the licensee shall post a sign, supplied by the ABC Board, on the licensed premises stating that their license has been suspended or revoked. The sign for a suspended license shall read: "The privilege of selling alcoholic beverages for this premises has been suspended by the Alabama Alcoholic Beverage Control Board from (date) to (date)." The sign for a revoked license shall read: "The Alabama Alcoholic Beverage Control Board license has been revoked." This sign shall be displayed in a conspicuous location in or on a front window or door and shall be readily visible from outside the premises.

(7) Within ten days from the beginning of any period of revocation, a compliance inspection of the premises by agents of the ABC Board shall be allowed, to ensure the removal of alcoholic beverages from the premises if the premises is open for business to the general public, members or guests during the period of suspension or revocation. Failure to permit the inspection shall disqualify the licensee from reapplying for a new license at that location for an additional period of six months after the revocation period is completed.

Author: ABC Board

Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-24(a)(b)(d).

History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.12 Special Events Retail License And Special Retail License.

A Special Events Retail license may be issued only after all the requirements of Section 28-3A-20, Code of Ala. 1975, have been met and only for a special event. A Special Retail license may be issued only after all the requirements of Section 28-3A-19, Code of Ala. 1975, have been met. A Special Retail license will not be issued for an occurrence that is in essence, a special event.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-19; 28-3A-20.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.13 Regulation Of Licensees Operating As "Package Stores".

(1) In addition to all other requirements of law or rules and regulations of the ABC Board, all private club licensees and all lounge retail liquor licensees which operate their licensed premises primarily for the off-premises sale of alcoholic beverages shall comply with the following conditions:

(a) The licensee shall have a minimum of 500 square feet of floor space for the display and sales of alcoholic beverages. The required square footage shall not include areas of the licensed premises which are not open to the patrons or general membership of the licensee and/or which are used for office space, storage or restroom facilities.

(b) Notwithstanding any provisions contained herein to the contrary, the licensee is authorized to sell only pre-packaged snack items, cheeses, beverage containers, keg tabs, home bartending supplies, disposable coolers, tobacco products, alternative nicotine product and electronic nicotine delivery systems, ice, fruit juices, mixers, and items commonly used as garnishments for mixed drinks. The licensee shall not sell any items that are not explicitly allowed by this regulation, including, but not limited to, general grocery items, novelties, clothing or any other items of general merchandise. Sale of any items listed above shall in no way be used to promote, persuade, or influence the sale of alcoholic beverages. Therefore, the licensee cannot give as a gift or

reduce the price of these items when the same is conditioned on the purchase of an alcoholic beverage.

(c) Any interior door, window or passageway which opens or may be opened into an adjoining building may be used only by the licensee and its employees. Such interior openings must be unavailable to the patrons or customers of the licensee and such passageways must be clearly marked "employees only".

(d) The licensee shall at all times have in its possession a physical inventory of liquor and/or wine having a minimum wholesale cost of $5000.00. The inventory of liquor and/or wine must have been produced by at least two distilleries and two wineries.

(e) The licensee shall not advertise alcoholic beverages with signs of any kind on the outside of the premises, or identify its premises, prices or location by the use of flashing or blinking signs.

(2) Any licensee whose license was issued prior to September 30, 1985, shall be exempt from conditions set forth in paragraph 1(a). No transfer of any license hereby exempted from 1(a) shall be permitted unless and until the premises are brought into compliance with the same.

(3) In accordance with Title 28, Chapter 11, Lounge Retail Liquor licensees, which operate their premises as off premises only, may sell electronic nicotine delivery systems provided the licensed premises:

(a) Has proper permits to allow the sale of Electronic Nicotine Delivery Systems.

(b) Is restricted to individuals 21 years of age or older.

(c) Has an employee present in the sales and service area at all times when open.

(d) Follows all other requirements of law or rules and regulations of the ABC Board pertaining to both license types.

(4) In accordance with Title 28, Chapter 12, Lounge Retail Liquor licensees, which operate their premises as off premises only, may sell consumable hemp products, including topical and sublingual products, and hemp beverages provided the licensed premises:

(a) Has, in addition to the Lounge Retail Liquor license, a valid Consumable Hemp Retailer License.

(b) Is restricted to individuals 21 years of age or older.

(c) Has an employee present in the sales and service area at all times when open.

(d) Shall not conduct any tastings or allow any consumption of the product on the premises.

(e) Follows all other requirements of law or rules and regulations of the ABC Board pertaining to both license types.

(5) Licensed package stores located in an entertainment district shall not sell items that facilitate or promote the immediate off-premises consumption of alcoholic beverages, including but not limited to, cups of ice.

Author: ABC Board

Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-11-7.1; 28-12-3; 28-12-40.

History: **Repealed and New Rule:** Filed August 21, 1998; effective October 16, 1998. **Amended:** Published August 31, 2021; effective October 15, 2021. **Amended:** Published October 31, 2025; effective December 15, 2025, operative January 1, 2026. **Amended:** Published March 31, 2026; effective May 15, 2026.

20-X-5-.14 Requirements Of Financial Responsibility By Licensees.

(1) All retail licensees of the ABC Board shall maintain, at all times, liquor liability (dram shop) insurance described below and shall comply with the following conditions of requirements of financial responsibility.

(a) Prior to the issuance or renewal of any retail alcoholic beverage license, each applicant must provide the ABC Board with sufficient information that it has liquor liability (dram shop) insurance coverage in the amount of at least one hundred thousand dollars ($100,000.00) per occurrence, exclusive of, and separate from, any attorney fees or other costs incurred in the defense of any claim asserted against the insured.

(b) Retail alcohol beverage licensees may also provide coverage through joining a Group Captive, or Captive Insurance Program, that has been approved by the Alabama Department of Insurance. Coverage shall be in the amount of at least one hundred thousand dollars ($100,000.00) per occurrence, exclusive of, and separate from, any attorney fees or other costs incurred in the defense of any claim asserted against the insured.

(c) This information may be provided as follows:

1. A certificate of liquor liability insurance from a reputable insurance company showing that the applicant

has liquor liability (dram shop) insurance of at least one hundred thousand dollars ($100,000.00) for each occurrence, that the certificate is for liability coverage only exclusive of, and separate from, any attorney fees or other costs incurred in the defense of any claim asserted against the insured and that coverage is valid for the license year for which the application is being submitted; or

2. Other method as may be required by the ABC Board.

(d) A certificate of liquor liability insurance also will show that the insurer will advise the Alabama ABC Board immediately in the event the policy is cancelled before the expiration date thereof.

(2) It shall be unlawful to represent to the ABC Board or to any other person that current insurance coverage exists when the policy has been cancelled or otherwise is not in force for any reason.

(a) A copy of a certificate of liquor liability insurance showing the current coverage shall be retained on the licensed premises and readily available for inspection by personnel of the Board or law enforcement officers.

(b) The Board may verify the liquor liability insurance coverage of any licensee at any time.

(3) No application for a new retail license shall be approved unless the application shows affirmatively that the requirements contained herein are met. All online renewal applications shall meet all insurance requirements. All information on the renewal application must be accurate and include a copy of the licensee’s current liquor liability insurance certificate. Failure to comply with the requirements contained herein shall be cause for suspension or revocation of the license.

(4) A retail licensee shall notify the ABC Board immediately at any time that its liquor liability insurance is canceled.

(5) In the event of cancellation, termination or other invalidation of its liquor liability insurance, the licensee must comply with the requirement of this financial responsibility regulation within fifteen (15) days from the date of the cancellation, termination or other invalidation. After the fifteenth day, if the licensee has not complied, the subject license shall be suspended immediately. Any license which has been suspended for failure to abide by this regulation shall not be reinstated until compliance with section (1) is met.

(6) A licensee may be cited administratively for violation of this regulation if proper insurance coverage if not maintained throughout the license year.

(7) This regulation shall not apply to licensees exempted by Title 28-3A-1.5 Code of Ala. 1975.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-2; 28-3-49.
History: Repealed and New Rule: Filed August 21, 1998; effective October 16, 1998. **Amended:** Filed January 13, 2010; effective February 17, 2010. **Amended:** Published August 31, 2021; effective October 15, 2021. **Amended:** Published April 30, 2025; effective June 14, 2025.

20-X-5-.15 Permits For Off-Site Tasting Rooms For In-State Wine Manufacturers And A Winery Association.

(1) Application for a permit.

(a) An application for a permit shall be in a form prescribed by the Board. Each applicant shall sign and swear to the application.

(b) Only one permit for one off-site tasting room shall be issued per license year.

(c) Once issued a permit shall be valid for the balance of the license year unless surrendered, suspended or revoked.

(2) Requirements.

(a) Those eligible to receive and hold a permit, are applicants who hold a valid manufacturer license or the winery association that represents a majority of the in-state wineries.

(b) The permitted premises shall be regarded the same as a licensed premises.

(c) Evidence of ownership or a lease for the real property where the applicant’s off-site tasting room will be located.

(d) Any other information as may, at their discretion, be requested by the Board.

(3) Before issuing a permit the Board shall be satisfied that the applicant is a suitable person to hold an ABC permit and that the location is suitable for a tasting room. The location shall:

(a) Have been awarded approval from the local governing body.

(b) Meet all the requirements for on-premises licensees enumerated in Rule 20-X-6-.02.

(c) The off-site tasting room shall be limited to only one building or one premises within one building.

(4) All permit holders shall maintain liquor liability insurance as prescribed by Rule 20-X-5-.14. Coverage shall specifically include the off-site tasting room location.

(5) In addition to all other requirements of law or rules and regulations of the ABC Board, all off-site tasting rooms shall comply with the following conditions:

(a) No one under 21 years of age may dispense or serve alcohol.

(b) All service for on-premises consumption shall be conducted by servers. No self-service permitted.

(c) All sales and consumptions must take place inside the licensed premises.

(d) Only products manufactured at the winery's primary premises may be sold at the off-site tasting room.

(e) Only products that have previously been approved for sale in the State may be sold or given away on the permitted premises.

(f) Records from wine sales and tastings shall be maintained at the permitted premises for three years. A duplicate record shall be maintained at the primary winery premises.

(6) The winery association shall verify yearly that it represents a majority of the in-state wineries.

(7) The board may initiate, investigate and, if appropriate, disapprove and prohibit the continued tastings of any permitted site found to be operating in violation of the rules.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §28-3-49.
History: **New Rule:** Filed October 13, 2016; effective November 27, 2016. **Amended:** Published August 31, 2021; effective October 15, 2021.

20-X-5-.16 Permanent Closure Of A Licensed/Permitted Location.

(1) Upon permanent closure of a licensed/permitted location:

(a) The licensee/permittee shall immediately remit the ABC license/permit, along with written notice containing the date of closure, to the ABC Board.

(b) The ABC Board may, at its discretion, approve the relocation or sale of beer and/or wine to another licensed location, owned by the same legal entity, provided that the product remains within the same territory as specified by Title 28, Code of Ala. 1975. In addition, the disposition of local taxes will be reallocated by the wholesale licensee to reflect the relocation or sale of beer and/or wine to another licensed location.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §28-3-49.
History: New Rule: Published August 31, 2021; effective October 15, 2021.

20-X-5-.17 Delivery Service License.

(1)(a) Pursuant to ACT 2021-188, a delivery service licensee may deliver or contract to deliver, a limited amount of alcohol to an individual who is at least 21 years of age. The following may apply for and be issued a delivery service license:

1. Any entity licensed by the ABC Board for off-premises consumption.

2. A restaurant and/or brewpub licensee of the board. All deliveries made by a restaurant and/or brewpub, which holds a restaurant license, must be made with a meal.

3. A valid and responsible organization of good reputation that is registered to do business providing delivery services in the state. The term "registered" means a formal process completed through the Alabama Secretary of State.

4. A manufacturer with off-premises retail privileges, provided such manufacturer abides by all requirements in ABC Rules and Regulations and Title 28 as pertains to retail sales.

(b) The applicant must include, as part of the application requirements in ACT 2021-188, a certificate of general liability insurance from a reputable insurance company indicating the applicant has the amount of insurance required and that the coverage is valid for the license year for which the application is being submitted. It shall be unlawful to represent to the ABC Board or to any other person that current insurance coverage exists when the policy has been cancelled or otherwise is not in force for any reason.

1. The certificate of general liability insurance will indicate that the insurer will advise the Alabama ABC Board immediately in the event the policy is cancelled before the expiration date thereof.

2. A delivery service licensee shall notify the ABC Board immediately at any time that its general liability insurance is cancelled or changed, to include a change of insurer.

3. The Board may verify the general liability insurance coverage of any licensee at any time.

4. No application for a new delivery service license or the renewal of an existing delivery service license shall be approved unless the application shows affirmatively that the requirements contained herein are met. Failure to comply with the requirements contained herein shall be cause for suspension or revocation of the license.

5. In the event of cancellation, termination or other invalidation of its general liability insurance, the licensee must comply with said insurance requirement within fifteen (15) days from the date of such cancellation, termination or other invalidation. After the fifteenth day, if the licensee has not complied, the subject license shall be suspended immediately and shall cease delivery business operations. Any license which has been suspended for failure to abide by this regulation shall not be reinstated until compliance is met.

6. A licensee may be cited administratively for violation of this regulation if proper insurance coverage is not maintained throughout the license year.

(c) Unless the applicant is the retailer, the applicant must provide a copy of the blank sample contract the applicant intends to use with its retail partners for the delivery of beer, wine, and spirits. Each applicant must also provide a list that includes the name of each retail partner, each location address for which they will be delivering, and the start and end date of the contract for each, and shall notify the ABC Board of any additions, deletions, or changes to the list. Additionally, each applicant shall sign a commitment to provide the ABC Board with a copy of the contract, for review, upon request.

(2)(a) All applicants for a delivery service license must submit, with their application, a copy of their internal or external alcohol delivery training and certification program for approval by the Alabama Alcoholic Beverage Control Board. The training program shall include but not be limited to the following:

1. Delivery Driver Eligibility Requirements

2. Legal Sales and Delivery of Alcohol

3. Customer Verification

4. Delivery Refusal Criteria

5. Violations and Penalties

(b) All persons conducting a delivery containing alcoholic beverages must first successfully complete the training program and be issued a valid certificate of completion by the course provider which must be carried either in printed form or an electronic format and shall be available for inspection upon request by the board or any law enforcement officer. Thereafter, every 24 months, each delivery driver must complete a current training program and be issued a new certificate of completion by the course provider. A delivery driver's certificate of completion is not transferable to another delivery service licensee.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-2; 28-3-49.
History: New Rule: Published August 31, 2021; effective October 15, 2021.

20-X-5-.18 Direct Wine Shipper License And Wine Fulfillment Center License.

(1) Pursuant to 28-3A-6.1 and 28-3A-6.2, a license may be issued by the board that authorizes the licensee to ship wine or contract for the shipment of wine from a manufacturer to an Alabama resident who is at least 21 years of age, for personal use by the individual and not for resale.

(2)(a) Pursuant to 28-3A-6.1, a direct wine shipper licensee may ship wine produced by the licensee or for the licensee, under a written contract, with another manufacturer that holds a federal basic wine manufacturing permit. A copy of the contract shall be submitted with the licensee's application in addition to the application requirements listed in 28-3A-6.1.

(b) Pursuant to 28-3A-6.2, a wine fulfillment center licensee shall enter into a contract with a direct wine shipper licensee, designating the wine fulfillment center licensee as its agent. A copy of the contract shall be submitted with the fulfillment center licensee's application in addition to the application requirements listed in 28- 3A-6.2.

(3) The wine fulfillment center must apply for a license for each physical premises that is to be used as a wine fulfillment center prior to shipping wine to any Alabama resident from that premises.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-6.1; 28-3A-6.2.
History: New Rule: Published August 31, 2021; effective October 15, 2021.

20-X-5-.19 Wine Festivals.

(1) A Wine Festival License or Wine Festival Participant License may be issued only after all the requirements of section 28-3A-20.4, Code of Ala. 1975, have been met and only for a wine festival.

(2) All laws regarding regulation of the retail sale of wine, as detailed in Title 28, Code of Ala. 1975, and ABC Rules and Regulations, shall apply to all participants during a wine festival, regardless of the license class of the participants.

(3) All wine festival licensees and wine festival participant licensees shall have a minimum of $100,000 in liability (dram shop) insurance consistent with the requirements of ABC Rules and Regulations 20-X-5-.14 and 20-X-8-14.
Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-2-; 28-3-49; 28-3A-20.4.
History: New Rule: Published August 31, 2021; effective October 15, 2021.

20-X-5-.20 Manufacturer Licensed Premises Extension.

(1) Upon approval, an authorized manufacturer licensee producing table wine and spirits shall be allowed one off-premises manufacturer extension, for the exclusive storage of finished and unfinished goods.

(2) Upon approval, an authorized manufacturer licensee producing beer shall be allowed one off-premises manufacturer extension, for the exclusive storage of finished goods and raw materials for the functions allowable by the 27 CFR 25.22.

(3) A manufacturer must provide documentation indicating approval from TTB for the extension. Prior to a manufacturer extension being issued in Alabama, the manufacturer must provide the following:

(a) Approval of the manufacturer extension from TTB.

(b) A lease, deed, or other document showing control of property.

(c) A current, valid manufacturer license from the Alabama Alcoholic Beverage Control Board.

(4) The application for a manufacturing extension must be approved by the ABC Board prior to its use.

(5) The manufacturer extension must be secured at all times.

(6) The manufacturer extension cannot be used for the exportation of products nor any form of distribution of products within Alabama.

(7) Except where otherwise prohibited by federal or state statute, a manufacturer may obtain an extension for a building located 10 miles or less from the original licensed manufacturer's premises. A manufacturer extension will be prohibited outside the State of Alabama.

(8) Authorized representatives of the ABC Board or commissioned law enforcement officers of the state, county, or municipality in which the manufacturer extension is located shall be allowed to enter and search, without a warrant, the manufacturer extension or any building owned or occupied by the licensee in connection therewith, adjoining, adjacent to, or part of the curtilage thereof, whether used as a private dwelling or not, at any time.

(9) No sales, sampling, or tastings of any alcoholic beverage shall be allowed at the manufacturer extension premises.

(10) A manufacturer licensee, who is issued a manufacturer extension, must maintain all records related to the disposition of the finished or unfinished goods stored in the extension, as applicable.

(11) The finished and unfinished goods may be transported in bond from the manufacturer to the manufacturer extension location for storage, as applicable. Transportation shall be made by the manufacturer or employee of the same in a vehicle bearing signage on each side identifying the licensee. Included in the transportation vehicle shall be a current copy of the manufacturer extension and the bill of lading or other documentary evidence of ownership of the product on board.

Author: ABC Board
Statutory Authority: Code of Ala. 1975, §§28-3-49; 28-3A-6.
History: **New Rule:** Published August 31, 2021; effective October 15, 2021.