

AGENCY

The **Alcoholic Beverage Control Board** is an entity of the State of Alabama. It controls alcoholic beverages through distribution, licensing, enforcement and education. The Board also operates a chain of retail stores that sell liquor to consumers.



WET and DRY COUNTIES

State law allows local jurisdictions to hold a vote on being wet or dry and to what extent alcoholic beverages may be sold.

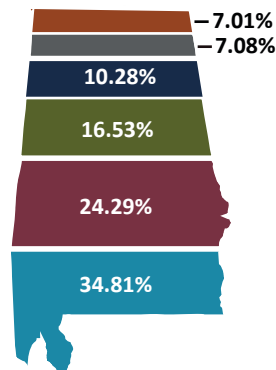
Alabama has 55 wet cities in dry counties. For a full list of the cities, please visit the “Wet & Dry Counties” document located at www.nabca.org.

Population 21 and over
(Estimate) (2014) **3,500,000**

NET REVENUE

AL distributes its net revenue into **six** categories:

- General Fund (34.81%)
- Department of Human Resources (24.29%)
- Department of Mental Health (16.53%)
- Education Trust Fund (10.28%)
- Cities and Counties (7.08%)
- Department of Revenue (7.01%)



HISTORY

The Alcoholic Beverage Control Act of 1937 established the Alabama ABC Board and ended 22 years of prohibition. It gave the Board control over the manufacture, import, distribution, sale and transportation of alcoholic beverages within the state. The Act provided citizens with “protection of the public welfare, health, peace and morals”. It also prohibited transactions of liquor, alcohol, malt and brewed beverages by those within the state, except those under control of the Board. In 1997, its responsibility expanded to regulating retail sales of tobacco products.

ENFORCEMENT

As of January 1, 2015, all sworn Alabama ABC enforcement agents were transferred by Alabama Act 2013-67 from the Alabama ABC Board to the newly-created Alabama Law Enforcement Agency (ALEA). Administratively, the Alabama ABC Board continues to monitor compliance to Title 28, Code of Alabama, and regulate licensees through the use of Licensing and Compliance Inspectors. Criminal cases are now investigated by ALEA.

The Board budgeted more than \$15.2 million for enforcement in fiscal year 2013-2014.

\$238,299,406.23
 FY 2015-2016 Net Revenue

From 2003 through 2015, the Alabama ABC Board contributed close to \$3 billion to the state.

Figures are from 2015-16

DISTRIBUTION

The state is involved in both wholesale and retail operations. The state is responsible for spirits and independent wholesalers are responsible for wine and beer.

The state delivers the spirits to its stores and to other retailers that purchase the product. Wine and beer are distributed by the wholesalers and delivered directly to the licensee. All licensees who hold a retail license to sell spirits must purchase from state wholesale stores.

Does jurisdiction allow direct shipping of wine?



Tax per standard drink:

SPIRITS: \$0.026

WINE: \$0.090

BEER: \$0.054

OUTLETS AND GROCERY STORES

The Alabama ABC Board licenses all manufacturers, importers, wholesalers and retailers of alcoholic beverages.

Alabama maintains control of spirits at the wholesale and retail level. The state has 176 state operated package stores.

- The state does not regulate the density of off-premise outlets in a neighborhood/precinct/condensed area.
- Convenience stores are not permitted to sell spirituous liquors. They may have a separate location that holds a package store license next door to the convenience store, but both locations must have a dedicated entrance and exit. Each location must function on its own and there must be no way for customers to pass through the interior between the two locations. All sales and records must be maintained separately as well.
- No one under the age of 21 may serve or dispense beer, wine or spirits in an on-premises location. Nineteen (19) and 20-year olds may serve, but not dispense, spirits in an establishment that holds a Restaurant Retail Liquor License only if that licensee has been certified by the ABC Board's Responsible Vendor Program (RVP).
- The sale of beer and wine is permitted in grocery stores.
- Sunday sales are not allowed, unless authorized by local legislative act.
- For every 100,000 residents ages 21 and older, there are 25.1 spirits outlets.
- Responsible Vendor Program is voluntary in the state.

ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD IN ACTION



The Alabama ABC Board's Fake ID project helped ABC licensees to reduce the use of fake IDs and educate them on the penalties of selling alcohol to the underage customers who use them. ABC Licensing & Compliance Inspectors and Enforcement Agents talked with 4,000 individuals at 356 locations and conducted 7,546 compliance checks.

The ABC Board considers this project to be a success based on the positive feedback that was received from licensees, schools and other civic and community participants. The ABC Board plans to continue the program.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise.

Sources: 2016 Survey Database, State Alcohol Tax Rates (July 2016), Educational Awards Program Reports for 2014-2015, Alabama Alcoholic Beverage Control Board, The Beverage Information Group's 2015 Fact Book, The Beverage Information Group 2016, Alcohol Policy Information System (APIS)