### HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

#### BILL #: HB 1283 Nassau County SPONSOR(S): Adkins TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local & Federal Affairs Committee	14 Y, 0 N	Lukis	Rojas
2) Regulatory Affairs Committee	12 Y, 0 N	Livingston	Hamon

# SUMMARY ANALYSIS

HB 1283 amends a special act relating to Nassau County liquor sales.

Florida's Beverage Law requires a person to obtain a license prior to engaging in the sale of alcoholic beverages. There is no limit on the number of licenses that may be issued to sell beer or wine; however, state law limits the number of liquor licenses issued in any county to one for each 7,500 residents. One exception to this limit is that it cannot prevent the issuance of a special license to any restaurant with a certain size, which derives at least 51 percent of its gross revenue from the sale of food and nonalcoholic beverages.

A 1981 special act lays out Nassau County's limits for liquor licenses. That special act provides a similar exception to the state license limit for certain restaurants; however, it is more restrictive because it requires the restaurant be larger in size than the state standard. This bill amends the 1981 special act to align the Nassau County restaurant size requirement for liquor sales with the state standard.

The Economic Impact Statement reflects that Nassau County officials anticipate this bill would have a positive effect on the Nassau County restaurant industry.

This act has an effective date of upon becoming a law.

### FULL ANALYSIS

# I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

## **Present Situation**

The regulation of alcoholic beverages within the State of Florida is governed by federal, state, and local laws. HB 1283 aligns a provision of local law with the state standard.

Florida's "Beverage Law" requires a person to obtain a license prior to engaging in the sale of alcoholic beverages.<sup>1</sup> The Florida Department of Business and Professional Regulation's Division of Alcoholic Beverages and Tobacco is responsible for licensing the alcoholic beverage industry, collecting and auditing taxes and fees paid by the licensees, and for enforcing alcoholic beverage laws and regulations.<sup>2</sup>

There is no limit on the number of licenses that may be issued to sell beer or wine. However, s. 561.20(1), F.S., limits the number of liquor licenses that can be issued in any county to one for each 7,500 residents based on the last regular population estimate prepared pursuant to s. 186.901, F.S., for each county. One exception to this limit is that it cannot prevent the issuance of a special license to any "restaurant having 2,500 square feet of service area and equipped to serve 150 persons full course meals at tables at one time, and deriving at least 51 percent of its gross revenue from the sale of food and nonalcoholic beverages."<sup>3</sup>

Throughout Florida, most county alcoholic beverage laws mirror this exception.<sup>4</sup> That is, most counties set their requirements for restaurants to meet the exception for liquor sales to the state minimum. However, some counties, including Nassau County, have more restrictive requirements for restaurants to qualify for the exception.<sup>5</sup> These counties require the restaurants to have a larger square footage of service area and capacity to serve more patrons.<sup>6</sup>

Nassau County, via special act, currently requires restaurants to have at least 4,000 square feet of service area and the ability to serve at least 200 people full course meals in order to qualify for the liquor license exception.<sup>7</sup> The Nassau County Board of County Commissioners believes such stricter requirements are burdensome and prevent people from opening restaurants within Nassau County.<sup>8</sup> Therefore, the Nassau County Board of County Commissioners wants to lower those qualifications to equal state law and align with the majority of Florida's counties.<sup>9</sup>

### **Effect of Proposed Changes**

HB 1283 amends ch. 81-440, L.O.F., to decrease Nassau County's restaurant size requirement to qualify for the liquor sale exception. Specifically, it amends the restaurant square footage requirement from 4,000 square feet to 2,500 square feet and the service capacity requirement from 200 people to 150 people.

The Economic Impact Statement reflects that Nassau County officials anticipate this bill would have a positive effect on the Nassau County restaurant industry, and, therefore, the economy in general. By

 $^{6}$  Id.

<sup>&</sup>lt;sup>1</sup> Chapters 561-565, 567 and 568, F.S.

<sup>&</sup>lt;sup>2</sup> This information was obtained from the DBPR website at: http://www.myfloridalicense.com/dbpr/abt/index.html.

<sup>&</sup>lt;sup>3</sup> Section 561.20(2)(a)4, F.S.

<sup>&</sup>lt;sup>4</sup> Currently, about 47 out of the 61 Florida counties that allow restaurants to serve alcohol have laws that mirror the state exception for restaurants. This information was obtained from the DBPR website at: http://www.myfloridalicense.com/dbpr/abt/Laws.html. <sup>5</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> Chapter 81-440, L.O.F.

<sup>&</sup>lt;sup>8</sup> See, Economic Impact Statement Form attached (and filed in Local and Federal Affairs Committee).

<sup>&</sup>lt;sup>9</sup> *Id*.

creating a more attractive landscape for opening a restaurant, the Economic Impact Statement suggests that the bill could ultimately create more jobs.

- B. SECTION DIRECTORY:
  - Section 1: Amends ch. 81-440, L.O.F., to align a provision of the Nassau County beverage law with the state standard.

Section 2: Provides an effective date.

### **II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS**

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? February 1, 2013; February 6, 2013

- WHERE? The *Florida Times-Union*, a daily newspaper of general circulation, published in Duval County, Florida; and the *Fernandina Beach News-Leader*, a weekly newspaper of general circulation, published in Nassau County, Florida.
- B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

- C. LOCAL BILL CERTIFICATION FILED? Yes, attached [X] No []
- D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached [X] No []

### **III. COMMENTS**

- A. CONSTITUTIONAL ISSUES: None.
- B. RULE-MAKING AUTHORITY: None.
- C. DRAFTING ISSUES OR OTHER COMMENTS: None.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.