

STORAGE NAME: s1520z.rs
DATE: June 29, 1998

****FINAL ACTION****
****SEE FINAL ACTION STATUS SECTION****

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
REGULATED SERVICES
FINAL BILL RESEARCH & ECONOMIC IMPACT STATEMENT - LOCAL LEGISLATION**

BILL #: SB 1520
RELATING TO: Hillsborough County; authorizing issuance of an alcoholic beverage license to the Museum of Science and Industry Foundation, Inc.
SPONSOR(S): Senator Lee and others
COMPANION BILL(S): HB 4327

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1)
- (2)
- (3)
- (4)
- (5)

I. FINAL ACTION STATUS:

SB 1520, passed the Senate [40 yeas 0 nays] on May 1, 1998, passed the House also on May 1, 1998 [116 yeas 3 nays] and was presented to the Governor on May 8, 1998. The bill became law without the Governor's signature on May 24, 1998 and became Chapter 98-449, Laws of Florida. An identical bill, HB 4327 was referred to the Committee on Regulated Services on March 27, 1998 and died in committee without a hearing.

II. SUMMARY:

This bill authorizes the Division of Alcoholic Beverages and Tobacco to issue a special alcoholic beverage license, as an exception to general law, to the Museum of Science and Industry Foundation, Inc., a non-profit 501(c)(3) organization, located in Hillsborough County.

This bill has no significant impact on state revenue.

The bill will take effect upon becoming a law.

III. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Florida law limits the number of retail *liquor* licenses [also referred to as *quota* licenses] which may be issued. Section 561.20, F.S., provides for a quota of alcoholic beverage liquor licenses for each county based upon population: one license for each 5,000 residents. Quota licenses allow the sale of all alcoholic beverages for either consumption on the premises or by the package. The law provides for an annual lottery-type drawing to award quota licenses. Quota limitations were initially enacted in the interest of promoting temperance by limiting the number of outlets and, therefore, the availability of alcoholic beverages. By restricting competition, quota limitations also enhance the value of existing liquor licenses. Quota licenses often sell on the private market for thousands of dollars.

Retail quota license fees are based on the county's population and whether alcoholic beverages would be consumed on the vendor's licensed premises or sold for consumption off-premises. The cost of a quota license is slightly higher and ranges from \$468 in the smaller counties to \$1,820 in counties with populations over 100,000. In addition to these license fees, s. 561.19(6), Florida Statutes, requires the payment of a \$10,750 fee on the initial issuance of a quota license. This fee, commonly referred to as the "Hughes Act" fee is deposited in the Children and Family Services Operations and Maintenance Trust Fund and is used to supplement funding of alcohol and drug abuse education, treatment and prevention programs.

There are numerous exceptions in general law to the quota limitation which provide for the issuance of special liquor licenses to certain groups or under certain conditions, e.g., golf courses, civic centers, restaurants, performing arts centers. There is no special license classification for museums generally, although there is a special license classification in general law specifically for the Board of Trustees of the John and Mable Ringling Museum of Art.

Several non-profit organizations [Tampa Museum of Art, Tampa Bay Performing Arts Center, etc.] have obtained a special alcoholic beverage license through implementation of special acts. Additionally, s. 561.422, F.S., allows the issuance of temporary [3-day] permits to bona fide non-profit organizations which allow the sale and consumption of alcoholic beverages for consumption on premises. Non-profit organizations are limited to receiving only three such permits per calendar year. The Museum of Science and Industry Foundation, Inc., a non-profit, 501(c)(3) corporation which was organized to manage and operate the Museum of Science and Industry [MOSI] in Hillsborough County, desires a beverage license to assist with museum fundraising activities. MOSI is situated on county property, receives supplemental county funding and is the largest science center in the southeastern United States.

B. EFFECT OF PROPOSED CHANGES:

This bill authorizes the Division of Alcoholic Beverages and Tobacco to issue a special alcoholic beverage license to the Museum of Science and Industry Foundation, Inc. (Foundation). The license permits the sale of alcoholic beverages for consumption on premises at the museum but restricts its use to "special events." The bill prohibits the

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sale of an unopened container of alcoholic beverages for consumption off premises but authorizes the removal of an "opened, partially consumed" container.

Additionally, the bill authorizes the Foundation to transfer the license to a qualified applicant under contract with the Foundation to provide food service at the museum. The bill provides that the license will automatically revert, by operation of law, to the Foundation upon termination of the contract.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

This is a new special act which is an exception to general law.

D. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

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(2) service providers?

N/A

(3) government employees/agencies?

N/A

E. SECTION-BY-SECTION RESEARCH:

Section 1. Authorizes the Division of Alcoholic Beverages and Tobacco to issue an alcoholic beverage license to the Museum of Science and Industry Foundation, Inc., in Hillsborough County. The Foundation is required to pay a license fee as provided in s. 565.02 and the license may be used only for special events.

Section 2. Authorizes the sale of alcoholic beverages for consumption on the premises of the museum and, while prohibiting package sales for off-premise consumption, allows the removal of an opened, partially consumed container of alcoholic beverages.

Section 3. Authorizes the Foundation to transfer the license to qualified applicants under contract to provide food service at the museum and provides that upon termination of the contract, the license will revert to the Foundation.

Section 4. Provides that the act will take effect upon becoming a law.

IV. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 24, 1998

WHERE? The Times, Tampa, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

V. COMMENTS:

SB 1520 limits the use of the alcoholic beverage license to "special events," but provides no definition for the term. This limitation may create unintended interpretation disputes for museum management staff and enforcement authorities.

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Additionally, the bill allows for the removal, by a museum patron, of an "opened, partially consumed" container of alcoholic beverages. It appears to be the intent of the sponsors that this provision allows, for example, the removal of a bottle of wine which was purchased and sampled at a museum-sponsored auction. This provision has, however, the potential to conflict with local ordinances regulating open containers on public sidewalks, streets, etc., as well as prohibitions concerning open containers in automobiles.

Other

Paragraph (b) of House Rule 92 provides:

"If a committee determines that a local bill provides only an exemption from general law, it shall be reintroduced as a general bill."

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON REGULATED SERVICES:

Prepared by:

Legislative Research Director:

Janet Clark Morris

Paul Liepshutz

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