

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** HB 1633  
**SPONSOR(S):** Fetterman

Martin County

**TIED BILLS:**

**IDEN./SIM. BILLS:**

	<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1)	Military & Local Affairs Policy Committee		Tait	Hoagland
2)	Insurance, Business & Financial Affairs Policy Committee			
3)	Economic Development & Community Affairs Policy Council			
4)				
5)				

**SUMMARY ANALYSIS**

Florida law limits the number of alcoholic beverage licenses that may be issued to one license for every 7,500 residents in a county<sup>1</sup>. Special Restaurant Beverage (SRX) licenses may be issued in excess of the quota limitations, and are regulated under State of Florida Administrative Code Rule 61A-3.0141.

The specific requirements regarding the issuance of SRX licenses in Martin County are found in chapter 63-1619, Laws of Florida. In Martin County, SRX licenses are issued to any bona fide hotel, motel, or motor court with fifty to ninety-nine guest rooms or to any bona fide restaurant with service for 200 or more patrons at tables and occupying more than 4,000 square feet of floor space, but provides an exception for businesses located within the corporate limits of the City of Stuart. Businesses located within Stuart are required to provide service for 150 or more patrons at tables and occupy more than 2,500 square feet of floor space.

The bill removes the exception for businesses within the corporate limits of the City of Stuart, Florida that was added when the bill was amended in 1991, making them subject to the stricter standards of Martin County.

It also creates an exception for businesses within the legal boundaries of the seven Community Redevelopment Agency (CRA) districts in Martin County. This exception allows a restaurant within the CRA districts to obtain a SRX license if it provides service for 150 or more patrons at tables and occupies more than 2,500 square feet of floor space.

The changes in this bill would make the SRX license requirements for the seven CRA districts in Martin County more consistent with the regulations in other jurisdictions in the state.

The bill is expected to impact a minimal number of establishments, so the projected revenues from the license fees are indeterminate. Both of the Division of Alcoholic Beverages and Tobacco with the Florida Department of Business and Professional Regulation and the Martin County Board of County Commissioners have indicated that current staff and resources can be used to process the additional license requests allowed by this bill.

The bill takes effect upon becoming a law.

<sup>1</sup> S. 561.20(1), F.S.

## HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

Florida law limits the number of alcoholic beverage licenses that may be issued to one license for every 7,500 residents in a county<sup>2</sup>. Special Restaurant Beverage (SRX) licenses may be issued in excess of the quota limitations in s. 561.20(1), F.S., and are regulated under State of Florida Administrative Code Rule 61A-3.0141. With the exception of specified counties or cities, SRX licenses may be issued to bona fide restaurants with a service area occupying 2,500 or more square feet of floor space and with accommodations for the service and seating of 150 or more patrons at tables at one time.<sup>3</sup> All SRX licenses issued after January 1, 1958, have the suffix "SRX" as a part of the license number.

The specific requirements regarding the issuance of SRX licenses in Martin County are found in chapter 63-1619, Laws of Florida. The chapter law was amended in 1991 to provide an exception for businesses within the corporate limits of the City of Stuart and to conform cross-references.

In Martin County, SRX licenses are issued to any bona fide hotel, motel, or motor court with fifty to ninety-nine guest rooms or to any bona fide restaurant with service for 200 or more patrons at tables and occupying more than 4,000 square feet of floor space, with the exception of businesses located in the corporate limits of the City of Stuart, Florida. Businesses located in Stuart must provide service for 150 or more patrons at tables and occupy more than 2,500 square feet of floor space.

Licensees are prohibited from selling alcoholic beverages for consumption off the premises and from operating as a packaging store. The process for receiving SRX licenses includes obtaining approval from the Board of County Commissioners of Martin County, followed by applying to the Division of Alcoholic Beverages and Tobacco with the Florida Department of Business and Professional Regulation.

Martin County has seven CRA districts: Golden Gate, Hobe Sound, Indiantown, Jensen Beach, Old Palm City, Port Salerno, and Rio. Martin County's CRA districts typically contain smaller lots and

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<sup>2</sup> S. 561.20(1), F.S.

<sup>3</sup> The exceptions for the square footage rule are: the counties of Alachua, Brevard, Broward, Citrus, for premises with a cocktail lounge or open bar, Dade, Pasco, St. Lucie, Walton, Martin, Nassau, Okaloosa, Okeechobee, Osceola, Hendry, Highlands, Hillsborough, Indian River, Lake, and Orange County with respect to Orlando, Winter Park, and Maitland. The exception for the service and seating rule are: the counties of Alachua, Brevard, Broward, Dade, Hendry, Highlands, Walton, Hillsborough, Indian River, Pasco, Martin, Nassau, Okaloosa, St. Lucie, Osceola, and Orange County with respect to Orlando, Winter Park, and Maitland.

maintain smaller building size regulations for the purpose of achieving more pedestrian oriented communities.

## Proposed Changes

The bill amends section 1 of chapter 63-1619, Laws of Florida, as amended by chapter 91-389, relating to SRX requirements for Martin County. It removes the exception for business within the corporate limits of the City of Stuart, Florida that was added when the bill was amended in 1991. By removing this exception, restaurants located within the corporate limits of the City of Stuart will be required to provide service for 200 or more patrons at tables and occupy more than 4,000 square feet of floor space.

It also creates an exception for businesses within the legal boundaries of the seven Community Redevelopment Agency (CRA) districts in Martin County. This exception allows a restaurant within a CRA district to obtain a SRX license if it provides service for 150 or more patrons at tables and occupying more than 2,500 square feet of floor space.

The changes in this bill would make the SRX license requirements for the seven CRA districts in Martin County more consistent with the regulations in other jurisdictions in the state.

The changes to the laws regarding SRX licenses in Martin County will provide small business owners and operators within the CRA districts with the ability to operate full-service restaurants, and may aid the CRA districts in their economic gardening initiatives. However, it will also limit the ability of businesses in the City of Stuart to qualify for a SRX license and may negatively affect some businesses the currently have a SRX license.

The State of Florida currently levies an annual fee of \$1,820 for a SRX license, while Martin County levies an annual fee of \$390 for a county issued Special Liquor License. The bill is expected to impact a minimal number of establishments, so the projected revenues from the license fees are indeterminate.

Both of the Division of Alcoholic Beverages and Tobacco with the Florida Department of Business and Professional Regulation and the Martin County Board of County Commissioners have indicated that current staff and resources can be used to process the additional license requests allowed by this bill.

The bill takes effect upon becoming a law.

### B. SECTION DIRECTORY:

**Section 1:** Amends section 1 of chapter 63-1619, Laws of Florida, as amended by chapter 91-389, relating to Special Restaurant License (SRX) requirements for Martin County.

**Section 2:** Provides an effective date of upon becoming a law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? February 25, 2010.

WHERE? *The Stuart News*, a daily paper of general circulation published in Port St. Lucie, St. Lucie County, Florida and distributed in Martin and St. Lucie Counties, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

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:

The bill removes the current exception for businesses located within the corporate limits of the City of Stuart, Florida. It does not provide provisions for businesses that meet the current standards but will not meet the new, more stringent standards.

### IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES