

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 1107 City of Inverness, Citrus County

SPONSOR(S): McClain

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration & Veterans Affairs Subcommittee	15 Y, 0 N	Leshko	Miller
2) Regulatory Reform Subcommittee	16 Y, 0 N	Wright	Anstead
3) State Affairs Committee	21 Y, 0 N	Leshko	Williamson

SUMMARY ANALYSIS

Florida's Beverage Law places a limit on the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

The bill creates an exception to ch. 561, F.S., permitting licensed vendors located within the Downtown Inverness Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special permit during special events, approved or declared by the City of Inverness, to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district. The special permit is only valid for the duration of each special event approved by the city manager.

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.¹ Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.² This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.³

There are several exceptions to the quota license limitation,⁴ and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content.

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.⁵ DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.⁶ The business must pay an application fee of \$100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

Effect of Proposed Changes

The bill creates an exception to ch. 561, F.S., permitting licensed vendors located within the Downtown Inverness Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special permit during special events, approved or declared by the City of Inverness, to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district. The special permit is only valid for the duration of each special event approved by the city manager.

B. SECTION DIRECTORY:

- Section 1: Creates the Downtown Inverness Entertainment District in the City of Inverness and provides a property description of the district.
- Section 2: Creates an exception to general law, allowing licensed vendors within the district authorized to sell alcoholic beverages for consumption on the licensed premises to sell alcoholic beverages for consumption off the licensed premises but still within the district during special events.

¹ S. 561.02, F.S.

² S. 561.20(1), F.S.

³ S. 565.02, F.S.

⁴ S. 561.20(2), F.S.

⁵ See s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).

⁶ S. 561.01(11), F.S.

- Section 3: Provides that any special permit authorized under this act is granted in addition to any other temporary permits authorized pursuant to ch. 561, F.S.
- Section 4: Requires that vendors comply with all other requirements of ch. 561, F.S., while operating pursuant to any special permit.
- Section 5: Provides an effective date of upon becoming a law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 23, 2021

WHERE? The *Citrus County Chronicle*, a daily newspaper published at Crystal River, in Citrus County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.