

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: HB 927 Downtown Crystal River Entertainment District, Citrus County

SPONSOR(S): Hage

TIED BILLS: IDEN./SIM. BILLS:

FINAL HOUSE FLOOR ACTION: 106 Y's 1 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

HB 927 passed the House on February 25, 2022, and subsequently passed the Senate on March 10, 2022.

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 businesses located within the Downtown Crystal River Entertainment District, which are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises, to receive a special license or modification of an existing license allowing for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district, unless otherwise prohibited or limited in geographic area by the Crystal River City Council.

The bill was approved by the Governor on May 16, 2022, ch. 2022-237, L.O.F., and became effective on that date.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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 within the state of alcoholic beverages. 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, s. 561.20, F.S., 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.¹ 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.²

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions pursuant to s. 561.20(2), F.S., may be issued a special license by DBPR that allows the business to serve any alcoholic beverages regardless of alcoholic content.

Pursuant to s. 561.01(11), F.S., alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.³ DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.⁴ 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 the Bill

The bill creates an exception to ch. 561, F.S., permitting businesses located within the Downtown Crystal River Entertainment District, which are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises, to receive a special license or modification of an existing license allowing for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district, unless otherwise prohibited or limited in geographic area by the Crystal River City Council.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill may increase state revenue to the extent additional special licenses to serve any alcoholic beverages are issued.

2. Expenditures:

None.

¹ S. 561.20(1), F.S.

² S. 565.02, F.S.

³ 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).

⁴ S. 561.01(11), F.S.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill may increase local government revenue to the extent the provisions of the bill result in additional sales of alcoholic beverages.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 11, 2021.

WHERE? The *Citrus County Chronicle*, a daily newspaper of general circulation published in Citrus County, Florida.

E. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?