

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

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

**SPONSOR(S):** Hage

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

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

### 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 businesses located within the Downtown Crystal River Entertainment District that 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 to allow 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.

**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**

##### Beverage Law

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.<sup>1</sup> 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.<sup>2</sup>

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.<sup>3</sup> DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.<sup>4</sup> 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 businesses located within the Downtown Crystal River Entertainment District that 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 to allow 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.

### B. SECTION DIRECTORY:

Section 1: Creates the Downtown Crystal River Entertainment District in the City of Crystal River and provides a property description of the district.

Section 2: Creates an exception to general law, allowing businesses 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.

Section 3: Provides an effective date of upon becoming a law.

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

<sup>2</sup> S. 565.02, F.S.

<sup>3</sup> 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).

<sup>4</sup> S. 561.01(11), F.S.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. 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.

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.