

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** CS/CS/HB 1443 City of Ocala, Marion County  
**SPONSOR(S):** Regulatory Affairs Committee; Local & Federal Affairs Committee; Stone  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1414

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local & Federal Affairs Committee	14 Y, 0 N, As CS	Flegiel	Rojas
2) Regulatory Affairs Committee	18 Y, 0 N, As CS	Brown-Blake	Hamon

### SUMMARY ANALYSIS

The Division of Alcoholic Beverages and Tobacco (Division) of the Department of Business and Professional Regulation is responsible for enforcement of the Beverage Law. Section 561.422, F.S., authorizes nonprofit civic organizations to apply for up to three temporary alcoholic beverage permits for a period not to exceed three days, subject to any other state, municipal, or county ordinance regulating the time for selling alcoholic beverages. The permit requires that the alcoholic beverages may only be consumed on the premises.

The bill authorizes a nonprofit civic organization to be issued up to 15 temporary permits per calendar year, valid for up to three days, authorizing the sale of alcoholic beverages for consumption on the premises of outdoor events in the Ocala Downtown Area. These 15 temporary permits are in addition to the three temporary permits authorized by s. 561.422, F.S., that are not restricted to use in the Ocala Downtown Area. The nonprofit civic organization must comply with s. 561.422, F.S.

The bill provides an effective date of upon becoming law.

**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. The provisions of House Rule 5.5(b) may apply to this bill.**

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present Situation

Chapters 561-568, F.S., comprise Florida's Beverage Law. The Division of Alcoholic Beverages and Tobacco (Division) of the Department of Business and Professional Regulation is responsible for enforcement of these laws.<sup>1</sup> Section 561.422, F.S., authorizes nonprofit civic organizations to apply for up to three temporary alcoholic beverage permits for a period not to exceed three days, subject to any other state, municipal, or county ordinance regulating the time for selling alcoholic beverages. The permit requires that the alcoholic beverages may only be consumed on the premises.

Upon the filing of an application, the nonprofit civic organization must present a local building or zoning permit, and pay a fee of \$25 per permit. All net profits from sales of alcoholic beverages collected during the permit period must be retained by the nonprofit civic organization. The permits are issued by the director of the Division, and nonprofit civic organizations are limited to three per calendar year.

Over the past seven years, the Legislature has passed legislation that authorizes the Division to issue up to 15 additional temporary permits to nonprofit organizations in designated sections of the following cities: St. Petersburg,<sup>2</sup> Tallahassee,<sup>3</sup> Leesburg,<sup>4</sup> Eustis,<sup>5</sup> Tavares,<sup>6</sup> Mount Dora,<sup>7</sup> and Clearwater.<sup>8</sup> The chart<sup>9</sup> below contains data from the Division on the actual number of additional temporary permits issued.<sup>10</sup>

City	Effective Date	2007	2008	2009	2010	2011	2012	2013	Total Permits
St. Petersburg	6/12/07	1	14	9	9	7	8	13	61
Tallahassee	6/17/08	N/A	5	1	4	4	0	2	16
Leesburg	6/2/09	N/A	N/A	0	7	16	4	20	47
Eustis	6/11/10	N/A	N/A	N/A	3	10	0	6	19
Tavares	6/11/10	N/A	N/A	N/A	0	4	0	0	4
Mount Dora	5/31/11	N/A	N/A	N/A	N/A	0	0	0	0
Clearwater	4/6/12	N/A	N/A	N/A	N/A	N/A	2	5	7
<b>Total</b>		<b>1</b>	<b>19</b>	<b>10</b>	<b>23</b>	<b>41</b>	<b>14</b>	<b>46</b>	<b>154</b>

#### Effect of Proposed Changes

<sup>1</sup> Section 561.02 (2007), F.S.

<sup>2</sup> Chapter 2007-302, Laws of Fla.

<sup>3</sup> Chapter 2008-294, Laws of Fla.

<sup>4</sup> Chapter 2009-262, Laws of Fla.

<sup>5</sup> Chapter 2010-251, Laws of Fla.

<sup>6</sup> Chapter 2010-252, Laws of Fla.

<sup>7</sup> Chapter 2011-260, Laws of Fla.

<sup>8</sup> Chapter 2012-244, Laws of Fla.

<sup>9</sup> Department of Business and Professional Regulation, 2014 Legislative Bill Analysis, HB 1367.

<sup>10</sup> According to Guidestar.org, there are currently 694 nonprofit civic organizations in the City of Ocala. The Division has used Guidestar.org (an Internet provider that connects people with nonprofit information) in the past as a source for the number of nonprofit civic organizations in a city. The results for Ocala are from a search on March 21, 2014, *available at* <http://www.guidestar.org/SearchResults.aspx>.

Notwithstanding any other provision of law, the bill authorizes the Division to issue up to 15 temporary permits per calendar year, authorizing a bonafide nonprofit civic organization to sell alcoholic beverages for consumption on the premises at outdoor events in the Ocala Downtown Area. The temporary permits are valid for up to three days.

The bill defines the Ocala Downtown Area as the area in the City of Ocala which is bounded to the north by NW 20<sup>th</sup> Street, on the west by Pine Avenue, on the south by SW 10<sup>th</sup> Street, and on the east by Sanchez Avenue to NE 3<sup>rd</sup> Street, Watula Avenue from NE 3<sup>rd</sup> Street to SE 8<sup>th</sup> Street, and SE Magnolia Avenue from SE 8<sup>th</sup> Street to SW 10<sup>th</sup> Street.

To obtain a temporary permit, a bona fide nonprofit civic organization must present a valid resolution to the Division from the Ocala City Council which grants temporary approval for possession and consumption of alcoholic beverages on municipality owned property and authorizes the closure of affected streets if public rights-of-way are included in the permitted premises; and comply with all other requirements of s. 561.422, F.S.

A nonprofit civic organization may be issued up to 15 temporary permits per calendar year, valid for up to three days, in addition to the three temporary permits authorized by s. 561.422, F.S.

**B. SECTION DIRECTORY:**

Section 1      Outlines the area encompassed by the Ocala Downtown Area; provides that the Division may issue up to 15 permits to bona fide non-profit organizations authorizing the sale of alcoholic beverages in the Ocala Downtown Area, in addition to the three temporary permits authorized by s. 561.422, F.S.

Section 2      Provides that the bill shall take effect upon becoming law.

**II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS**

A. NOTICE PUBLISHED?    Yes     No

IF YES, WHEN?            December 23, 2013

WHERE?            *The Ocala Star-Banner* a daily newspaper published at Ocala, in Marion County, FL.

B. REFERENDUM(S) REQUIRED?    Yes     No

IF YES, WHEN?            n/a

C. LOCAL BILL CERTIFICATION FILED?    Yes, attached     No

D. ECONOMIC IMPACT STATEMENT FILED?    Yes, attached     No

According to the Economic Impact Statement, the additional events in FY 2014-2015 will cost approximately \$270,000, generate \$220,000 in revenue from ticket and alcohol sales, and require the city to provide \$50,000 in additional funding. The City of Ocala will absorb additional event costs until the events become financially self-sustaining, which the city anticipates will occur at some point in the future.

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

None.

**B. RULE-MAKING AUTHORITY:**

None.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On March 27, 2014, the Local & Federal Affairs Committee adopted one amendment and reported the bill favorably as a committee substitute. The amendment removed the rule-making authority provision contained in lines 45-48 and amended the title of the bill accordingly.

On April 3, 2014, the Regulatory Affairs Committee adopted one amendment and reported the bill favorably as a committee substitute. The amendment renamed the area where the temporary alcoholic beverages permits may be used from the "Ocala Downtown Community Redevelopment Area" to the "Ocala Downtown Area."

The staff analysis is drafted to reflect the committee substitute that incorporates the amendment.