

STORAGE NAME: h0167a.ca

DATE: April 1, 1999

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 167

RELATING TO: Alcoholic Beverage License; Dunedin Fine Art Center, Inc.

SPONSOR(S): Representative Morroni and others

COMPANION BILL(S): SB 1426 (i)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) REGULATED SERVICES (CAC) YEAS 9 NAYS 0
- (2) GENERAL GOVERNMENT APPROPRIATIONS (W/D)
- (3) COMMUNITY AFFAIRS (PRC) YEAS 10 NAYS 0
- (4)
- (5)

I. SUMMARY:

This bill authorizes the issuance of a special alcoholic beverage license to the Board of Directors of the Dunedin Fine Art Center, Inc. The license allows the sale and consumption of alcoholic beverage licenses at special events held at the Center. The package sale of alcoholic beverages is prohibited.

The bill has no fiscal impact on state revenues.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Florida law does not limit the number of beer or wine licenses which may be issued in a county but does, however, limit the number of retail *liquor* licenses [also referred to as *quota* licenses] which may be issued. Section 561.20, F.S., provides for a quota of alcoholic beverage liquor licenses for each county based upon population: one license for each 5,000 residents. Quota licenses allow the sale of all alcoholic beverages for either consumption on the premises or by the package. The law provides for an annual lottery-type drawing to award quota licenses.

Retail quota license fees are based on the county's population and whether alcoholic beverages would be consumed on the vendor's licensed premises or sold for consumption off-premises. The cost of a quota license ranges from \$468 in the smaller counties to \$1,820 in counties with populations over 100,000. In addition to these license fees, s. 561.19(6), Florida Statutes, requires the payment of a \$10,750 fee on the initial issuance of a quota license. This fee, commonly referred to as the "Hughes Act" fee is deposited in the Children and Family Services Operations and Maintenance Trust Fund and is used to supplement funding of alcohol and drug abuse education, treatment and prevention programs.

Quota limitations were initially enacted in the interest of promoting temperance by limiting the number of outlets and, therefore, the availability of alcoholic beverages. By restricting competition, quota limitations also enhance the value of existing liquor licenses. Quota licenses often sell on the private market for thousands of dollars.

There are numerous exceptions in general law to the quota limitation which provide for the issuance of liquor licenses to certain groups or under certain conditions, e.g., golf courses, tennis clubs, and restaurants. There is no special license classification under which the Dunedin Fine Art Center can qualify for an alcoholic beverage license.

B. EFFECT OF PROPOSED CHANGES:

This bill authorizes the issuance of a special alcoholic beverage license to the Board of Directors of the Dunedin Fine Art Center, Inc., a non-profit 501c(3) corporation. The license authorizes the sale and consumption of alcoholic beverages during special events held at the Center.

The bill allows the Board of Directors to transfer the license to qualified applicants who are authorized to provide food service at the Center. Upon termination of a food service vendor's contract, the license reverts to the Board of Directors by operation of law. The license is not transferable to any other location. The package sales of alcoholic beverages are prohibited.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Creates new special act.

D. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

- (3) government employees/agencies?

N/A

E. SECTION-BY-SECTION ANALYSIS:

Section 1. Authorizes issuance of a special alcoholic beverage license to the Board of Directors of the Dunedin Fine Art Center, Inc.

Section 2. Provides that the act takes effect upon becoming a law.

STORAGE NAME: h0167a.ca

DATE: April 1, 1999

PAGE 5

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 22, 1999

WHERE? Clearwater, Pinellas County, FL

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

None.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON REGULATED SERVICES:

Prepared by:

Janet Clark Morris

Staff Director:

Paul Liepshutz

AS REVISED BY THE COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Joan E. Highsmith-Smith

Staff Director:

Joan E. Highsmith-Smith