

**STORAGE NAME:** h0167.rs

**DATE:** January 13, 1999

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
REGULATED SERVICES  
ANALYSIS**

**BILL #:** HB 167

**RELATING TO:** Alcoholic beverage license; Dunedin Fine Art Center

**SPONSOR(S):** Representative Morroni

**COMPANION BILL(S):** None

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

- (1) REGULATED SERVICES
  - (2) GENERAL GOVERNMENT APPROPRIATIONS
  - (3)
  - (4)
  - (5)
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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 will allow 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.

The bill takes effect upon becoming a law.

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 general bill of local application 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 would authorize 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, however, to any other location. Further, the package sales of alcoholic beverages are prohibited.

C. 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

D. STATUTE(S) AFFECTED:

N/A

E. SECTION-BY-SECTION ANALYSIS:

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

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

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

Insignificant.

2. Recurring Effects:

Insignificant.

3. Long Run Effects Other Than Normal Growth:

Insignificant.

4. Total Revenues and Expenditures:

Insignificant.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

The sale of alcoholic beverages may enhance participation and attendance at the various special events held at the Dunedin Fine Art Center.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON REGULATED SERVICES:

Prepared by:

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