

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	CS/CS/HB 1443	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Regulatory Affairs Committee; Local & Federal Affairs Committee; Stone	114 Y's	1 N's
COMPANION BILLS:	N/A	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

CS/CS/HB 1443 passed the House on April 25, 2014, and subsequently passed the Senate on April 29, 2014.

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.

According to the Economic Impact Statement, the additional events in FY 2014-2015 will generate \$220,000 in revenue from ticket and alcohol sales. The additional events in FY 2014-2015 will cost approximately \$270,000, 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.

The bill was approved by the Governor on May 12, 2014, and became effective on that date.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Nonprofit Civic Organization Beverage Permits

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.¹ 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,² Tallahassee,³ Leesburg,⁴ Eustis,⁵ Tavares,⁶ Mount Dora,⁷ and Clearwater.⁸ The chart⁹ below contains data from the Division on the actual number of additional temporary permits issued.¹⁰

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	6/02/09	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	4/06/12	N/A	N/A	N/A	N/A	N/A	2	5	7
Total		1	19	10	23	41	14	46	154

Effect of the Bill

Notwithstanding any other provision of law, the bill authorizes the Division to issue up to 15 temporary permits per calendar year, authorizing a bona fide 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.

¹ Section 561.02 (2007), F.S.

² Chapter 2007-302, L.O.F.

³ Chapter 2008-294, L.O.F.

⁴ Chapter 2009-262, L.O.F.

⁵ Chapter 2010-251, L.O.F.

⁶ Chapter 2010-252, L.O.F.

⁷ Chapter 2011-260, L.O.F.

⁸ Chapter 2012-244, L.O.F.

⁹ Department of Business and Professional Regulation, 2014 Legislative Bill Analysis, HB 1367.

¹⁰ 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>.

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

II. FISCAL ANALYSIS, ECONOMIC IMPACT STATEMENT, & NOTICE/REFERENDUM

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

According to the Economic Impact Statement, the additional events in FY 2014-2015 will generate \$220,000 in revenue from ticket and alcohol sales.

2. Expenditures:

According to the Economic Impact Statement, the additional events in FY 2014-2015 will cost approximately \$270,000, 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.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 23, 2013

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

E. REFERENDUM(S) REQUIRED? Yes No

