

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	CS/HB 1265	FINAL HOUSE FLOOR ACTION:	
SUBJECT/SHORT TITLE	Alcoholic Beverages	112	Y's 2 N's
SPONSOR(S):	Commerce Committee; Miller and others	GOVERNOR'S ACTION:	Approved
COMPANION BILLS:	SB 922		

SUMMARY ANALYSIS

CS/HB 1265 passed the House on March 1, 2018, and subsequently passed the Senate on March 8, 2018.

In Florida, the Beverage Law regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors. The Division of Alcoholic Beverages and Tobacco in the Department of Business and Professional Regulation administers and enforces the Beverage Law and issues licenses to those authorized to sell beer, wine and distilled spirits in the state.

Currently, licensees that are operators of railroads or sleeping cars (operators) in this state are only permitted to purchase or sell liquor on a passenger train in miniature bottles of not more than two ounces (mini-bottles). Additionally, such operators are required to keep alcoholic beverages intended for sale on a passenger train separate from the alcoholic beverages intended for sale in the railroad transit station.

The bill specifies that only interstate operators are subject to the mini-bottle restriction and the separate inventory requirement. Intrastate operators will no longer be subject to the mini-bottle limitation or a separate inventory requirement.

The bill does not appear to have a fiscal impact on state or local governments.

The bill was approved by the Governor on March 30, 2018, ch. 2018-138, L.O.F., and will become effective on July 1, 2018.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Current Situation

Background

In Florida, the Beverage Law¹ regulates the manufacture, distribution, and sale of wine, beer, and liquor. The Division of Alcoholic Beverages and Tobacco (Division) in the Department of Business and Professional Regulation (DBPR) administers and enforces the Beverage Law.²

“Alcoholic beverages” are defined in s. 561.01, F.S., as “distilled spirits and all beverages containing one-half of 1 percent or more alcohol by volume.”

Quota Licenses and Special Licenses

“Quota” licenses authorize a vendor to sell beer, wine, or liquor. Under the Beverage Law, only one “quota” license may be issued for every 7,500 people residing in a county.

The Beverage Law also provides for the issuance of “specialty” licenses³ which authorize certain vendors to sell of beer, wine, or liquor. Specialty licenses may be issued to certain establishments which meet the specific conditions for the license. For example, specialty licenses exist for certain restaurants, caterers, hotels and motels, specialty centers built on government-owned land, bowling alleys, and airports.⁴

Operators of Railroads, Sleeping Cars and Vendors Located in Railroad Transit Stations

The Division may issue a specialty license for the sale of beer, wine, or liquor to:

- an operator of railroads or sleeping cars, or
- a vendor in a railroad transit station.⁵

The license costs \$2,500 per year, and local governments are prohibited from requiring any licenses or taxes in addition to the special license.

Licensed operators of railroads or sleeping cars:

- May keep and sell alcoholic beverages for consumption upon any dining, club, parlor, buffet, or observation car of a passenger train in which certified copies of the licenses issued to the operators are posted.
- May not purchase or sell any liquor on a passenger train except in mini-bottles of not more than 2 ounces.
- Must keep alcoholic beverages intended for sale on a passenger train separate from the alcoholic beverages intended for sale in the railroad transit station.

¹ Section 561.01(6), F.S., provides that the “The Beverage Law” means chs. 561, 562, 563, 564, 565, 567, and 568, F.S.

² s. 561.02, F.S.

³ ss. 561.20(2), and 565.02(2)—(11), F.S.

⁴ s. 561.20(2)(d), F.S. The Division may issue special airport licenses to restaurants that are a part of, or serve, publicly owned or leased airports. The special airport license permits the general public to purchase alcoholic beverages for consumption within designated areas of the airport terminal. The license further permits the vendor to sell wine and distilled spirits to the airlines in sealed miniature containers and other alcoholic beverages for consumption on the aircraft by the passengers of the plane while the plane is airborne.

⁵ s. 565.02(2), F.S.

Licensed vendors in a railroad transit station:

- May keep and sell alcoholic beverages for consumption on the licensed premises, including all areas within the railroad transit station as well as on a passenger train.
- Are not subject to the mini-bottle requirement for liquor.
- May not transfer their special license to a location outside the railroad transit station.

A “railroad transit station” is defined in the Beverage Law as “a platform or terminal facility where passenger trains operating on a guided rail system according to a fixed schedule between two or more cities regularly stop to load and unload passengers or goods. The term includes the passenger waiting lounge or dining, retail, entertainment, or recreational facilities within the premises owned or leased by the railroad operator or owner.”⁶

All Aboard Florida

All Aboard Florida is the operator of “Brightline,” an express passenger rail service between Miami and Orlando that uses the existing Florida East Coast Railway corridor between Miami and Cocoa. It is also building a new track along State Road 528 between Cocoa and Orlando. Portions of the service, between Miami and West Palm Beach, started operating in January, 2018.⁷ The full-service route from Miami to Orlando is set to open later this year. The Orlando station is under construction at the Intermodal Transportation Center at Orlando International Airport.⁸

Effect of the Bill

The bill specifies that interstate operators remain subject to the mini-bottle restriction and the separate inventory requirement. Intrastate operators will no longer be subject to the mini-bottle limitation or a separate inventory requirement.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

⁶ s. 561.01(22), F.S.

⁷ Dan Rorabaugh, *Brightline announces launch date for service between West Palm Beach, Fort Lauderdale*, TCPALM (Dec. 28, 2017), <https://www.tcpalm.com/story/news/local/shaping-our-future/all-aboard-florida/2017/12/28/brightline-announces-launch-date-service-between-west-palm-beach-fort-lauderdale/989273001/>.

⁸ See All Aboard Florida at: <http://www.allaboardflorida.com/> (Last visited January 16, 2018).

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.