

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: CS/HB 1645 City of Freeport, Walton County
SPONSOR(S): Local Administration & Veterans Affairs Subcommittee, Drake
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration & Veterans Affairs Subcommittee	15 Y, 0 N, As CS	Renner	Miller
2) Regulatory Reform Subcommittee	16 Y, 0 N	Willson	Anstead
3) State Affairs Committee	22 Y, 0 N	Renner	Williamson

SUMMARY ANALYSIS

Florida's Beverage Law places a limit on the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

The bill creates an exception to s. 561.20(2), F.S., authorizing DBPR to designate property as a specialty center within the City of Freeport if a minimum of 25 acres adjacent to the specialty center was donated to the Walton County School Board and at the time of the donation the specialty center property and the donated property were owned by the same entity or an entity with common ownership. The specialty center may not comprise more than 15 acres.

The bill creates an exception to ss. 562.45 and 561.01(11), F.S., providing that alcoholic beverages sold for consumption on the premises of a specialty center by a vendor may be consumed anywhere within the specialty center. Additionally, an applicant for an alcoholic beverage license to be located in a specialty center may not be denied licensure based solely on distance from educational facilities if the shortest route of ordinary pedestrian travel along the public thoroughfare from the main entrance of the place of business to the main entrance of the school is at least 500 feet.

According to the Economic Impact Statement filed for the bill, entities will incur minimal costs associated with the implementation of the special use district.

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. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Alcoholic Beverage Licensing

The Division of Alcoholic Beverages and Tobacco (DABT) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages under Florida's Beverage Law.¹

The Beverage Law does not limit the number of licenses DABT may issue to businesses who wish to sell malt beverages or wine.² However, the Beverage Law limits the number of licenses that may be issued allowing a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.³ This license, often referred to as a "quota license," is limited to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.⁴

There are several exceptions to the quota license limitation, and businesses meeting the requirements set out in statute⁵ may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcoholic content.

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.⁶ DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.⁷ The business must pay an application fee of \$100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

Florida counties and unincorporated municipalities may enact ordinances regulating the location of alcohol beverage businesses, including requiring a certain minimum distance separation between alcohol licenses of similar types; or alcohol establishments and places of worship, schools, municipal buildings, or parks.⁸ Unless otherwise regulated by local law, no on premise alcohol establishment can be located within 500 feet of the real property comprising a public or private elementary school, middle school, or secondary school.⁹

The City of Freeport prohibits the sale or distribution of beer, wine, liquor, or other alcoholic beverages within the corporate limits of the city within 1,000 feet of any church or school.¹⁰

Effect of the Bill

¹ Chs. 561-565 and 567-568, F.S.

² See ss. 563.02 and 564.02, F.S.

³ S. 561.20(1), F.S. See s. 565.02(1)(a)-(f), F.S.

⁴ S. 561.20(1), F.S.

⁵ S. 561.20(2), F.S.

⁶ See s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).

⁷ S. 561.01(11), F.S.

⁸ S. 562.45(2)(a), F.S.

⁹ *Id.*

¹⁰ City of Freeport Code of Ordinances, ch. 3, s. 3-2(a). The City measures 1,000 feet by following the shortest route of ordinary pedestrian travel along the public thoroughfare from the main entrance of the business to the nearest point of school facilities. See Code of Ordinances, ch. 3, s. 3-2(b).

The bill proposes designating property as a specialty center within the City of Freeport. The specialty center will include retail shops, restaurants, and an outdoor music venue. The specialty center will be located within 500 feet of a proposed school.¹¹

The bill creates an exception to s. 561.20(2), F.S., authorizing DBPR to designate property as a specialty center within the City of Freeport if a minimum of 25 acres adjacent to the specialty center was donated to the Walton County School Board and at the time of the donation the specialty center property and the donated property were owned by the same entity or an entity with common ownership. The specialty center may not comprise more than 15 acres.

The bill creates an exception to ss. 562.45 and 561.01(11), F.S., providing that alcoholic beverages sold for consumption on the premises of a specialty center by a vendor may be consumed anywhere within the specialty center. Additionally, an applicant for an alcoholic beverage license to be located in a specialty center may not be denied licensure based solely on distance from educational facilities if the shortest route of ordinary pedestrian travel along the public thoroughfare from the main entrance of the place of business to the main entrance of the school is at least 500 feet.

According to the Economic Impact Statement filed for the bill, entities will incur minimal costs associated with the implementation of the special use district.

B. SECTION DIRECTORY:

Section 1. Creates an exception to general law, providing requirements for a specialty center designation.

Section 2. Creates an exception to general law, authorizing the sale of alcoholic beverages for consumption on the premises of a specialty center under certain conditions; providing that an applicant for an alcoholic beverage license located in a specialty center may not be denied licensure under certain conditions.

Section 3. Provides an effective date of upon becoming a law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 27, 2021

WHERE? *Defuniak Springs Herald Breeze*, a newspaper published in Walton County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

¹¹ A map of the proposed specialty district is attached as Exhibit A.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires administrative rulemaking by executive branch agencies.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 23, 2021, the Local Administration & Veterans Affairs Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment provided that the distance from the specialty center to the school patterns the distance standard stated in the City of Freeport ordinance.

This analysis is drafted to the committee substitute as approved by the Local Administration & Veterans Affairs Subcommittee.

Exhibit A

