## FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.							
BILL #: <u>HB 799</u>		COMPANION BILL: <u>SB 1200</u> (DiCeglie)					
TITLE: Special Alcoholic Beverage Licenses Issued to		LINKED BILLS: None					
Residential Condominiums	REI	RELATED BILLS: None					
SPONSOR(S): LaMarca							
Committee References							
Industries & Professional Activities		<u>Commerce</u>					
15 Y, 0 N							

### **SUMMARY**

### Effect of the Bill:

The bill creates a special alcoholic beverage license for certain condominiums, which is an exception to the limitation of the number of licenses permitting vendors to sell liquor or spirits.

#### Fiscal or Economic Impact:

The bill may have a positive fiscal impact on condominiums that qualify for the special license since they will be able to serve liquor and spirits without having to obtain one of the limited licenses. The bill may have an indeterminate positive impact on the state from increased revenue from fees associated with the special license.

JUMP TO	SUMMARY	ANALYSIS	<b>RELEVANT INFORMATION</b>	BILL HISTORY

#### ANALYSIS

#### **EFFECT OF THE BILL:**

The bill creates an <u>exception</u> to the <u>limitation of the number</u> of licenses permitting vendors to sell liquor or distilled spirits. (Section <u>1</u>)

The bill permits the Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) to issue a special alcoholic beverage license to any residential condominium that meets the following requirements:

- Has no fewer than 50 condominium units that are wholly owned or rented to <u>nontransients</u>;
- Regularly offers food and beverages to its residents; and
- Is licensed as a food service establishment by the Department of Health, Department of Agriculture and Consumer Services, or DBPR. (Section <u>1</u>)

The bill provides that the special alcoholic beverage license may only be issued to the entity managing the food and beverage operations of the condominium and may not be issued to the condominium association. (Section  $\underline{1}$ )

The bill limits the sales of alcoholic beverages to residents and their guests for on-premises consumption during the hours when food is sold. (Section  $\underline{1}$ )

The bill provides an effective date of July 1, 2025. (Section <u>4</u>)

# **RELEVANT INFORMATION**

#### **SUBJECT OVERVIEW:**

Alcoholic Beverages

In Florida, the Beverage Law<sup>1</sup> regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors.<sup>2</sup> The Division administers and enforces the Beverage Law.<sup>3</sup>

The Beverage Law defines "alcoholic beverages" as "distilled spirits and all beverages containing one-half of 1 percent or more alcohol by volume."<sup>4</sup>

The Beverage Law defines "liquor" and "distilled spirits" to mean that substance known as ethyl alcohol, ethanol, or spirits of wine in any form, including all dilutions and mixtures thereof from whatever source or by whatever process produced.<sup>5</sup>

The license and registration classifications used in the Beverage Law include the following:<sup>6</sup>

- "Manufacturers" are those "licensed to manufacture alcoholic beverages and distribute the same at wholesale to licensed distributors and to no one else within the state, unless authorized by statute."
- "Distributors" are those "licensed to sell and distribute alcoholic beverages at wholesale to persons who are licensed to sell alcoholic beverages."
- "Importers" are those licensed to sell, or to cause to be sold, shipped, and invoiced, alcoholic beverages to licensed manufacturers or licensed distributors, and to no one else in this state.
- "Vendors" are those "licensed to sell alcoholic beverages at retail only" and may not "purchase or acquire in any manner for the purpose of resale any alcoholic beverages from any person not licensed as a vendor, manufacturer, bottler, or distributor under the Beverage Law."

#### **Quota Licenses and Special Licenses**

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to vendors selling malt beverages or wine. However, statute limits the number of licenses that may be issued to vendors to sell liquor or spirits, 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. This license is often referred to as a "quota license," and allows vendors to sell any alcoholic beverage regardless of alcoholic content.<sup>7</sup>

There are several exceptions to the quota license limitation including, but not limited to:8

- Food service establishments that:
  - have at least 2,000 square feet of service area;
  - $\circ$  have 120 physical seats available for patrons;
  - $\circ \quad$  are equipped to serve meals to 120 persons at one time; and
  - derive at least 51 percent of their gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.

**SUMMARY** 

<sup>&</sup>lt;sup>1</sup> S. <u>561.01(6)</u>, F.S., provides that "The Beverage Law" includes chapters 561, 562, 563, 564, 565, 567, and 568, F.S.

<sup>&</sup>lt;sup>2</sup> See <u>s. 561.14, F.S.</u>

<sup>&</sup>lt;sup>3</sup> Ss. <u>561.02</u>, and <u>561.08</u>, F.S.

<sup>&</sup>lt;sup>4</sup> S. <u>561.01(4), F.S.</u>

<sup>&</sup>lt;sup>5</sup> S. <u>565.01, F.S.</u>

<sup>&</sup>lt;sup>6</sup> <u>s. 561.14, F.S.</u>

<sup>&</sup>lt;sup>7</sup> Ss. <u>561.20(1)</u> and <u>565.02(1), F.S.</u>

<sup>&</sup>lt;sup>8</sup> S. <u>561.20(2), F.S.</u>

- Condominiums that:
  - have no fewer than 100 condominium units that are wholly rentable to transients and are licensed by the Division of Hotels and Restaurants within DBPR; or
  - are located in Dade County, have no fewer than 50 condominium units that are wholly rentable to transients, and are licensed by the Division of Hotels and Restaurants.

A vendor that meets the requirements for one of the exceptions may be issued a special license by the Division without having to obtain a quota license. A special license allows the vendor to serve any alcoholic beverages regardless of alcohol content, including liquor and distilled spirits.<sup>9</sup>

#### **Nontransient**

"Nontrasient" means a guest occupying a dwelling unit in a public lodging establishment, such as an apartment complex or condominium, with the intention that the occupancy will **not** be temporary. There is a rebuttable presumption that an occupancy is nontransient when the occupied dwelling unit is the sole residence of the guest.<sup>10</sup>

BILL HISTORY							
COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY			
Industries & Professional Activities Subcommittee	15 Y, 0 N	3/19/2025	Anstead	Brackett			
<u>Commerce Committee</u>							

<sup>&</sup>lt;sup>9</sup> S. <u>561.20(1) and (2)</u>, F.S. <sup>10</sup> S. <u>509.013, F.S.</u>