

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 385 Alcoholic Beverage Licenses, Lake and Sumter Counties
SPONSOR(S): Local Administration & Veterans Affairs Subcommittee; Hage and others
TIED BILLS: **IDEN./SIM. BILLS:**

FINAL HOUSE FLOOR ACTION: 114 Y's 1 N's **GOVERNOR'S ACTION:** Pending

SUMMARY ANALYSIS

CS/HB 385 passed the House on April 1, 2021, and subsequently passed the Senate on April 29, 2021.

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 alcohol 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.

Chapter 2002-334, Laws of Fla., as amended, authorizes DBPR to grant special alcoholic beverage licenses to an entertainment or lodging complex within the commercial district of a retirement community in the incorporated Town of Lady Lake and in certain unincorporated areas of Sumter County (later revised to include other areas in Sumter County). The entertainment lodging complex seeking the special alcoholic beverage license must be managed, controlled, and operated by a primary business entity under one business name and may include only individual business entities that are owned, managed, controlled, and operated independently of the primary business entity and that are separately licensed by the Division of Alcoholic Beverages and Tobacco.

The entity may include one or more restaurants, bars, breweries or brew pubs, clubhouses, recreation centers, lodging or banquet facilities, special activity tents, or similar structures located within any area in which a restaurant or lounge is a permitted use as defined by the Town of Lady Lake or Sumter County ordinances.

The licenses do not entitle the licensee to maintain or construct any structure on the premises that is prohibited by the ordinances or regulations of the Town of Lady Lake or Sumter Counties.

The bill revises one of the governmental entities within which the specified businesses are eligible to receive such licenses, by replacing the Town of Lady Lake with Lake County.

The bill revises the boundaries within Lake and Sumter County to provide that a commercial district of a retirement community may be issued a special alcoholic beverage license within incorporated and unincorporated portions of both counties.

The bill revises the criteria for the alcoholic beverage licenses to provide that the licensee must adhere to applicable county or municipal ordinances or regulations.

According to the Economic Impact Statement, implementation, administration, and enforcement costs of the extended boundaries will be minimally insignificant and will have no fiscal impact to the state.

Subject to the Governor's veto powers, the effective date of this bill is upon becoming a law.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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 selling malt beverages or wine.² However, the Beverage Law does limit the number of licenses that may be issued that allow 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 in a county with a minimum of three licenses for each county that has approved the sale of intoxicating liquors.⁴

There are several exceptions to the quota license limitation. Businesses meeting the requirements of the exceptions may be issued a special license by DABT allowing the business to serve any alcoholic beverages regardless of alcoholic content.⁵

Alcoholic Beverage Licenses in Lady Lake and Sumter County

DABT may grant special alcoholic beverage licenses to an entity operating an entertainment or lodging complex within the commercial district of a retirement community in the Town of Lady Lake and in certain areas of unincorporated Sumter County.⁶ The authorization does not specify one particular entity, but the described areas include two downtown squares owned by The Villages: Lake Sumter Landings (in unincorporated Sumter County) and Spanish Springs (in the incorporated Town of Lady Lake).⁷ A 2014 revision deleted the term "unincorporated area" describing Sumter County in order to encompass all areas of Sumter County.⁸

The entertainment lodging complex seeking the special alcoholic beverage license must be managed, controlled, and operated by a primary business entity under one business name and may include only individual business entities that are owned, managed, controlled, and operated independently of the primary business entity and that are separately licensed by DABT.⁹ The entity may include one or more restaurants, bars, breweries or brew pubs, clubhouses, recreation centers, lodging or banquet facilities, special activity tents, or similar structures located within any area in which a restaurant or lounge is a permitted use as defined by the Town of Lady Lake or Sumter County ordinances.¹⁰ The licenses do not entitle the licensee to maintain or construct any structure on the premises that is prohibited by the ordinances or regulations of the Town of Lady Lake or Sumter County.¹¹

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 Ch. 2002-334, Laws of Fla., as amended.

⁷ See Florida House of Representatives, *HB 605 Final Analysis*, p. 2(May 15, 2014), <http://leagis:8080/sites/2012-2014/2014/Public/Bills/0600-0699/0605/Analysis/h0605z.LFAC.pdf> (last visited Feb. 8, 2021).

⁸ Ch. 2014-229, s. 2, Laws of Fla.

⁹ Ch. 2002-334, Laws of Fla., as amended by 2014-229, s. 1, Laws of Fla.

¹⁰ *Id.*

¹¹ *Id.*

Effect of the Bill

The bill revises the authority of DABT to grant special alcoholic beverage licenses to an entity operating an entertainment or lodging complex within the commercial district of a retirement community in the Town of Lady Lake and in certain areas of unincorporated Sumter County, as follows:

- Revises one of the governmental entities that specified businesses within are eligible to receive such licenses, by replacing the Town of Lady Lake with Lake County;
- Revises the boundaries within Lake and Sumter Counties to provide that a commercial district of a retirement community may be issued a special alcoholic beverage license within incorporated and unincorporated portions of both counties; and
- Revises the criteria for the alcoholic beverage licenses to provide that the licensee must adhere to applicable county or municipal ordinances or regulations.

According to the Economic Impact Statement, implementation, administration, and enforcement costs of the extended boundaries will be minimally insignificant and will have no fiscal impact to the state.

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:

The implementation, administration, and enforcement costs of the extended boundaries will have a minimally insignificant impact on Lake and Sumter Counties.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 22, 2020

WHERE? *Daily Sun*, a daily newspaper published in Lake County, FL.

E. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?