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B I L L

H I S T O R Y

89-361

S			BILL/CS/2ND ENG by Regulated Industries;				
			ar CS/H 1138)				
	beverages	s on steams	<u>ABuses/Airplanes</u> ; repeals prohibition on sale of alcoholic hips & buses while not in transit; repeals requirement that fied tariff under certain circumstances & post certified copy				
	of alcoholic beverage vendor license on steamship, bus, or airplane to which such						
	license applies; revises qualifications for certain special alcoholic beverage li-						
	censes, etc. Amends 565.02, 561.14, 20, 32. Effective Date: 10/01/89. 04/06/89 SENATE Filed						
	04/14/89	SENATE	Introduced, referred to Regulated Industries; Finance, Taxation and Claims -SJ 152				
	04/21/89	SENATE	On Committee agenda—Regulated Industries, 04/25/89, 1:00 pm, Room-H-(428)				
	04/25/89	SENATE	Comm. Report: CS by Regulated Industries -SJ 242				
			CS read first time -SJ 246; Now in Finance, Taxation and Claims -SJ 242				
	05/11/89	SENATE	Withdrawn from Finance, Taxation and Claims -SJ 353; Placed on Calendar				
	05/18/89	SENATE	Placed on Special Order Calendar -SJ 380				
			Placed on Special Order Calendar –SJ 402; CS passed as amended; YEAS 28 NAYS 3 –SJ 440				
	05/25/89	HOUSE	In Messages				
		HOUSE	Received, placed on Calendar; Read second time; Amend- ments adopted; Read third time; CS passed as amended; YEAS 92 NAYS 15 -HJ 1070				
	06/01/89	SENATE	In Messages				
			Concurred; CS passed as amended; YEAS 40 NAYS 0 -SJ 882				
	06/02/89		Ordered engrossed, then enrolled -SJ 882				
	06/20/89		Signed by Officers and presented to Governor				
	07/06/89		Became Law without Governor's Signature: Chapter No.				
	01/00/05		89-361				

NOTES: Above bill history from Division of Legislative Information's *FINAL LEGISLATIVE BILL INFORMATION, 1989 SESSIONS.* Staff Analyses for bills amended beyond final committee action may not be in accordance with the enacted law. Journal page numbers (HJ & SJ) refer to daily Journals and may not be the same as final bound Journals.

BILL NO. CS/SB 1109

DATE: <u>April 25, 1989</u>

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SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

ANALYST	STAFF DIRECTOR		REFERENCE	ACTION
1. <u>Skelton</u> 2 3	Skelton 53	1. 2. 3.	RI FTC	Fav/CS Withdrawn
4		4.		
SUBJECT:			BILL NO. AND	SPONSOR:
Alcoholic Bev Airplanes	./Ships/Buses/	•	CS/SB 1109 by Industries &	y Regulated Senator Bankhead

I. SUMMARY:

A. Present Situation:

The Department of Business Regulation required each steamship, bus and airplane which operate in Florida and sell alcoholic beverages for consumption on the conveyance to carry a certified copy of the operator's beverage license on board. The operator of the steamship or steamship line, bus or busline, airplane or airline must purchase an annual license for \$1,100. Each certified copy costs \$25.00 to be paid to the Department by the operator.

Sales under the above mentioned licenses are only allowed while the conveyances are in transit.

Pleasure, excursion, sightseeing and charter boats with round trips of less that 100 miles in each direction are not required to hold liquor licenses under the s. 565.02, F.S., but if owners of such vessels that have a Coast guard approved capacity of at least 125 passengers and which docks at a public marina wish to sell alcoholic beverages, they may be granted a special liquor license to sell and serve liquor while the boat is in operation on a scheduled or chartered cruise.

Current law prohibits sale or service of alcoholic beverages while a boat is docked at any docking facility or marina.

B. Effect of Proposed Changes:

Steamships, steamship lines, buses, buslines, airplanes and airlines would continue to be required to purchase an annual beverage license of \$1,100.00. The operators of these transit lines would no longer be required to post certified copies of the license in each conveyance, however each operator would be required to declare the total number of vehicles from his fleet in Florida each year. The operator will be required to register each vehicle and pay a \$25.00 registration fee for this central registration.

Airplanes would be prohibited from selling alcoholic beverages while not in transit.

Excursion, sightseeing and charter boats with a Coast-guard approved capacity of at least 125 passengers may be granted a special liquor license to sell and serve alcoholic beverages to passengers on scheduled or chartered cruises up to one hour in advance of departure and while in transit.

RE√ISED:

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II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

None.

B. Government:

None.

III. <u>COMMENTS:</u>

None.

IV. AMENDMENTS:

None.

STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 1109

Language relating to the Civil Aeronautics Board has been deleted, since the C.A.B. no longer exists.

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Sales of alcoholic beverages on airplanes are permitted only when the plane is in transit.

Committee on ____Regulated Industries_____

(FILE THREE COPIES WITH THE SECRETARY OF THE SENATE)

STORAGE NAME: \wp\sa\s1109-f.ri DATE: June 15, 1989

HOUSE OF REPRESENTATIVES COMMITTEE ON REGULATED INDUSTRIES FINAL STAFF ANALYSIS & ECONOMIC IMPACT STATEMENT

BILL #: CS/SB 1109

RELATING TO: Alcoholic Beverage Licenses

SPONSOR(S): Committee on Regulated Industries and Senator Bankhead

EFFECTIVE DATE: October 1, 1989

DATE BECAME LAW: July 6, 1989

CHAPTER #: 89-361, Laws of Florida

COMPANION BILL(S): CS/HB 1138 by Regulated Industries and Representative Gordon

OTHER COMMITTEES OF REFERENCE: (1) Finance, Taxation & Claims

(2)

I. <u>SUMMARY:</u>

CS/SB 1109 provides that steamships and buses which are licensed to sell alcoholic beverages may serve such beverages when not in transit. In addition, the bill provides that beverage licenses for steamships and steamship lines, buses and bus lines, and airplanes and airlines would be issued to operators at a central location rather than be displayed on each steamship, aircraft, or bus. Moreover, the bill provides that any pleasure, sightseeing, excursion or charter boats licensed to sell alcoholic beverages may serve such beverages for consumption while at a docking facility subject to certain conditions. Finally, the bill revises several other statutory provisions including the hotel or motel requirements regarding eligibility for special alcoholic beverage licenses, licenses issued to port authorities, the transfer of licenses, and membership in cooperative or pool buying groups.

A. PRESENT SITUATION:

Alcoholic beverage sales are not permitted while airplanes are in airports, steamships at docks, buses at stations, or chartered cruises at docking facilities. Sales are permitted by licensees while in transit.

In addition, alcoholic beverages cannot be sold on steamships, buses and airplanes unless certified copies of the licenses issued to the operators are posted. Certified copies are issued by the Division of Alcoholic Beverages and Tobacco of the Department of Business Regulation for a fee of \$25 for each copy. STORAGE NAME: \wp\sa\s1109-f.ri
DATE: June 15, 1989
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Section 561.20(2)(a)1, F.S., states that a special license can be issued to a bona fide hotel, motel, or motor court provided that there are at least 100 guest rooms. Any of the above that have fewer than 100 guest rooms are still eligible for a special license if it derives at least 51% of its gross revenue from the rental of hotel or motel rooms, licensed as a public lodging establishment by the Division of Hotels and Restaurants, and listed on the National Register of Historic Places or considered meeting certain criteria as a historically significant property.

Section 561.32(2), F.S., prohibits anyone from being entitled to a transfer of a license or interest in a license or to a change of executive officers or directors when the division has notified the licensee in writing that revocation or suspension proceedings have been or will be brought against the license and that the transfer of such license or financial interest in such a license is within the discretion of the division.

Section 561.14(3), F.S., relates to vendors licensed to sell alcoholic beverages at retail. Vendors are prohibited from purchasing or acquiring alcoholic beverages for the purpose of resale from any person not licensed as a vendor, manufacturer, bottler, or distributor under the Beverage Law. In addition, purchases of alcoholic beverages by vendors from vendors are limited to purchases between members of a pool buying group. The initial purchase of the alcoholic beverages must be ordered by a pool buying agent as a single transaction. A pool buying group enables vendors to get an agent to buy in large quantities for purposes of obtaining discounts.

B. EFFECT OF PROPOSED CHANGES:

CS/SB 1109 provides that steamships and buses which are licensed to sell alcoholic beverages may serve such beverages when not in transit. In addition, operators of pleasure, sightseeing, excursion, or charter boats licensed to sell alcoholic beverages may serve such beverages while the boat is docked at a docking facility or marina to passengers for consumption only on the premises during a period not to exceed one hour prior to departure.

The bill also removes language relating to the Civil Aeronautics Board. This is no longer a requirement for eligibility by airport lounges for alcoholic beverage licenses.

Furthermore, the bill provides that beverage licenses for steamships and steamship lines, buses and bus lines, and airplanes and airlines would be issued to operators at a central location rather than be displayed on each steamship, aircraft, or bus. The application for initial issuance of a license would disclose the number of steamships, buses, or airplanes in the fleet scheduled for operation in this state. At the time of license renewal, the application would disclose the total or the highest number of steamships, buses or planes in the fleet that operated in this state for the previous license year. A \$25 fee STORAGE NAME: \wp\sa\s1109-f.ri DATE: June 15, 1989 PAGE: 3

> would be imposed for each steamship, bus, or airplane disclosed on the application for licensure or renewal.

Moreover, the bill revises the requirements regarding hotel, motel, or motor court eligibility for special alcoholic beverage licenses. Counties having a population of 50,000 or more are subject to the minimum requirements of 100 guest rooms. Counties having less than 50,000 population would be authorized for the issuance of special licenses predicated on 80 guest rooms. Counties with Special Acts would still continue to qualify for licenses based on the provisions of the Special Act.

In addition, new language was added regarding the issuance of licenses to port authorities to sell or serve alcoholic beverages. The port authority, upon an annual payment of a license fee for each sales or service location, would be entitled to serve alcoholic beverages at any terminal within the port jurisdictional boundaries. Any lessees chosen by the port authority are required to meet the criteria for licensure for sales and service of alcoholic beverages.

Furthermore, the bill revises statutes regarding the transfer of licenses or interest in a license or a change of officers or directors. Licensees would be prohibited from transferring a license or the interest in a license to a relative or any other person when notified in writing by the division of revocation or suspension proceedings. The term "relative" is defined similar to s. 116.111(1)(c), F.S., for purposes of this section. In addition, any licensee, executive officer, director, or person holding an interest in a license or business who is arrested, charged, indicted, convicted or has appealed the conviction of a crime which is disqualifying under the alcoholic beverage laws is required to immediately notify the division in writing of such action and the transfer or attempt to transfer a license under these conditions is prohibited.

Finally, vendors licensed to sell alcoholic beverages at retail would be prohibited from being a member of more than one cooperative or pool buying group at any one time.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

- A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:
 - 1. <u>Non-recurring or First Year Start-Up Effects:</u>

The portion of the bill pertaining to the display of a central license has no fiscal impact because the division currently charges \$25 for each common carrier.

2. Recurring or Annualized Continuation Effects:

The portion of the bill relating to special licenses for hotels, motels, and motor courts has minimal fiscal impact because the department does not anticipate issuance of more than 7 licenses. Though there are costs to the department

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for regulation, the additional licenses would generate increased revenue from excise taxes and license fees.

3. Long Run Effects Other Than Normal Growth:

None.

4. Appropriations Consequences:

None.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
 - <u>Non-recurring or First Year Start-Up Effects:</u> None.
 - <u>Recurring or Annualized Continuation Effects:</u> None.
 - 3. Long Run Effects Other Than Normal Growth:

None.

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
 - 1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

Passengers of steamships and buses licensed to sell alcoholic beverages would be permitted to order such beverages for consumption at any time while on board. Passengers of chartered cruise boats licensed to sell alcoholic beverages may also order such beverages for consumption on the premises during the hour prior to departure. Hotels, motels, and motor courts with 80-99 guest rooms in counties with a population of less than 50,000 would now be eligible for beverage licenses without meeting the criteria of historical significance.

3. Effects on Competition, Private Enterprise, and Employment Markets:

Indeterminable at this time.

D. FISCAL COMMENTS:

None.

III. LONG RANGE CONSEQUENCES:

None.

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IV. COMMENTS:

According to the Division of Alcoholic Beverages and Tobacco, there are currently 34 counties which are under 50,000 in population. Of these, 4 counties fall under Special Acts, and 6 counties are dry. Therefore, 24 counties are presently affected by the revision for hotel, motel and motor court beverage licenses. The Division of Hotels and Restaurants has estimated that there are 7 hotels, motels, or motor courts which have between 80 and 99 guest rooms in 5 of the 24 counties.

In the event that counties having under 50,000 population grow significantly enough to change brackets thereby becoming a county of 50,000 or more, the guest room requirements would change from 80 to 100 guest rooms. Any new licenses would have to meet the latter requirement. However, existing licenses would be grandfathered in for that particular county.

The topics in CS/SB 1109 are not directly addressed in the House of Representatives, Regulated Industries Committee Mission Statement or in the House of Representatives Policy Statement.

Legislative History 1989 Session

A. Enacted Bill

Senate Bill 1109 was filed on April 6, 1989, by Senator Bankhead. On April 14, 1989, the bill was introduced and referred to the Committee on Regulated Industries and the Committee on Finance, Taxation, & Claims (SJ 00152).

On April 25, 1989, the Committee on Regulated Industries reported the bill favorably as a Committee Substitute (SJ 00242). On May 11, 1989, the bill was withdrawn from the Committee on Finance, Taxation & Claims (SJ 00353) and placed on the Calendar. On May 24, 1989, the bill was passed as amended by a vote of 28-3 (SJ 00440). On June 1, 1989, the bill was received by the House and passed as amended by a vote of 92-15 (HJ 01070). The Senate concurred the following day with a 40-0 vote and the bill was ordered enrolled (SJ 00882). On June 20, 1989, the bill was signed by Officers and presented to the Governor.

B. Disposition of Companion

House Bill 1138 was prefiled on March 21, 1989, by Representative Gordon. On April 4, 1989, the bill was introduced and referred to the Committee on Regulated Industries, the Committee on Finance & Taxation, and the Committee on Appropriations.

The Subcommittee on Alcoholic Beverages reported the bill favorably as a Proposed Committee Substitute on April 18, 1989. The Committee on Regulated Industries passed the bill favorably on April 27, 1989. The bill was subsequently withdrawn from the Committee on Finance & Taxation (HJ 00513) and the Committee on Appropriations (HJ 00769) and placed on the Calendar. On June 3, 1989, the bill died on Calendar. STORAGE NAME: \wp\sa\s1109-f.ri
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V. <u>SIGNATURES:</u>

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SUBSTANTIVE COMMITTEE: Prepared by: <u>Maisy Alpert</u>

SECOND COMMITTEE OF REFERENCE: Prepared by:

APPROPRIATIONS: Prepared by:

Staff Director. Wyatt Martin

Staff Director:

Staff Director: