Regulatory Reform Subcommittee

Wednesday, October 13, 2021
3:00 PM - 4:30 PM
Webster Hall (212 Knott)

Meeting Packet

Chris Sprowls
Speaker

Bob Rommel
Chair

The Florida House of Representatives

Commerce Committee

Regulatory Reform Subcommittee

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Meeting Agenda

Wednesday, October 13, 2021
3:00 PM – 4:30 PM
Webster Hall (212 Knott)

I. Call to Order

II. Roll Call

III. Opening Remarks

IV. Update on the implementation of bills passed in the 2021 legislative session by the Department of Business and Professional Regulation

V. Closing Remarks

VI. Adjournment

303 House Office Building, 402 South Monroe Street, Tallahassee, FL 32399-1300
(850) 717-4870

Department of Business
& Professional Regulation

Division of Hotels and Restaurants Overview

House Regulatory Reform Subcommittee
October 13, 2021

Steven von Bodungen
Director, Division of Hotels and Restaurants

Division of Hotels & Restaurants

Core Mission: Licensing, Inspections

Food Service

- Restaurants, take-out, caterers, mobile food vehicles, temporary events (festivals, fairs), theme park food carts and vending machines

Public Lodging

- Hotels, motels, bed and breakfasts, vacation rentals and apartments

Elevators

- Passenger conveyances including elevators, escalators, wheelchair lifts and moving walks

Division of Hotels & Restaurants

Regulatory Authority

Chapter 509, Florida Statutes

- Governs the licensing, inspection, and regulation of public lodging and public food service establishments

61C-1, 61C-3, 61C-4, 61C-8, Florida Administrative Code

- Adopted rules governing the licensing, inspection and regulation of public lodging and public food service establishments

Chapter 399, Florida Statutes

- Governs the licensing, inspection, and regulation of elevators, escalators and other conveyance devices

61C-5, Florida Administrative Code

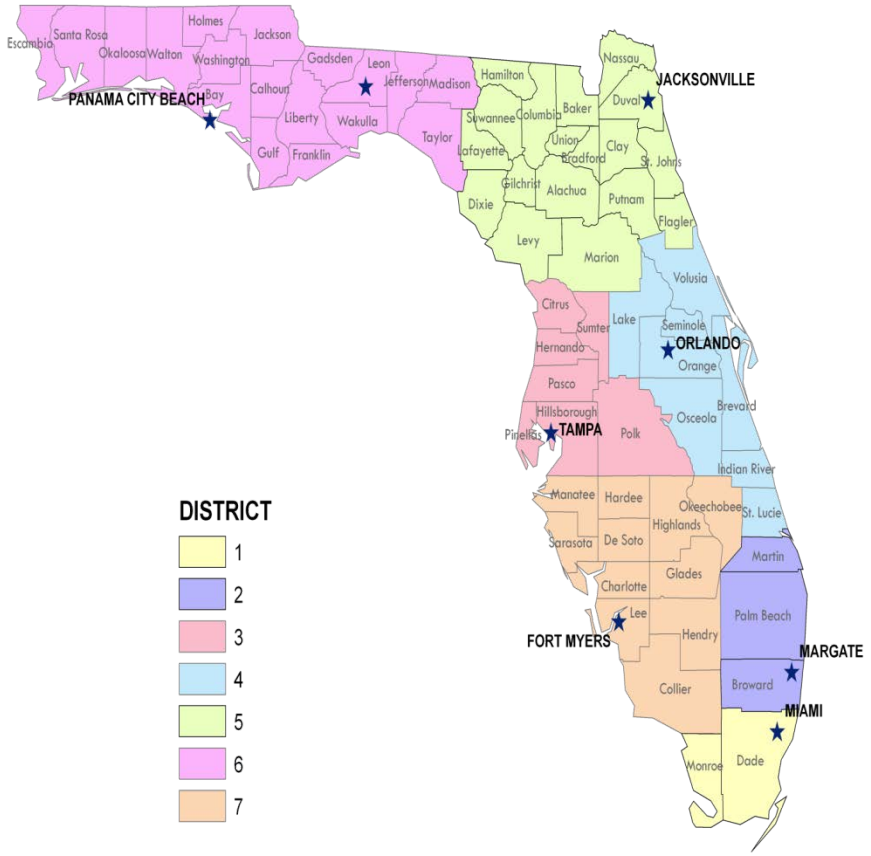
- Adopted rules governing the licensing, inspection, and regulation of elevators, escalators and other conveyance devices

Division of Hotels & Restaurants

Staffing

Bureau / Office	Full Time Employees
Sanitation and Safety Inspections	315
Elevator Safety	15
Field Services	15
Director's Office	8
Total	353

District Office Locations



Division of Hotels & Restaurants

Risk Based Inspection Frequency – Food Service

Risk-Based Category	Description	Inspections Required (Per Year)
Level 1	Public food service establishments that: Do not cook raw animal food; or cook raw animal food, but do not cool any cooked/heated foods	1
Level 2	Public food service establishments that: Cook raw animal food and cool any cooked/heated food; or Serve a raw or undercooked animal food that requires a consumer advisory.	2
Level 3	Public food service establishments that: Have a history of non-compliance (the division has taken three or more disciplinary actions over a two-year period) or serve a highly susceptible population (HSP)	3
Level 4	Public food service establishments that have been identified by the Florida Department of Health in a confirmed foodborne illness	4

Division of Hotels & Restaurants

Inspection Frequency – Public Lodging

Description	Inspections Required (Per Year)
Hotels, Motels and Bed & Breakfast Inns	2
Non-Transient Apartments	1
Vacation Rentals	By Complaint

Division of Hotels & Restaurants

Business Licenses

Type	Number of Accounts
Restaurants, Caterers, Vending	51,918
Mobile Food Dispensing Vehicles, Carts	7,366
Hotels, Motels, Bed and Breakfast	4,967
Vacation Rentals	30,801
Apartments	19,196
Elevators, escalators, lifts, moving walks	58,294
Total	172,542

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Contact Information

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Legislative Affairs Director
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Division of Alcoholic Beverages and Tobacco
Overview and Implementation Updates

House Regulatory Reform Subcommittee
October 13, 2021

Daniel McGinn
Deputy Director, Division of Alcoholic Beverages and Tobacco

Division Overview

The Division of Alcoholic Beverages and Tobacco(Division) licenses the manufacturing, distribution, sale and service of alcoholic beverage, tobacco products, and nicotine products in Florida.

Licensing

- Processing license applications and renewals.
- Verifying an applicant's qualifications for licensure under the Beverage Law and chapters 210 and 569, Florida Statutes.

49 FTE Positions

Auditing

- Collecting and auditing of the excise tax due to the state.
- Conducting compliance audits to ensure compliance with special licensing requirements.

84 FTE Positions

Enforcement

- Conducting routine compliance inspections.
- Conducting minimum age of purchase surveys.
- Conducting criminal and administrative investigations.

188 FTE Positions

Beverage, Tobacco, and Nicotine Regulation in Florida

Florida Requires Licensure:

- Predominant regulatory model, the State of Florida licenses and regulates the distribution and sale of alcoholic beverages.

Florida's Beverage Law Creates a Three-Tier Licensing System:

- Legislation was intended to prevent vertical integration of ownership and, in turn, prevent intemperate consumption.

Exceptions to the Three-Tier System:

- Section 561.221, F.S:
  - Manufacturers of Wine: No more than three vendor licenses per manufacturer, located on property contiguous to the winery.
  - Manufacturers of Malt Beverages: No more than eight vendor licenses at a brewery/vendor property consisting of a single complex divided by no more than one public street or highway.
  - Vendor of Malt Beverages: Single location, no more than 10,000 kegs/year.
- Section 565.03, F.S.:
  - Craft Distilleries (Manufacturer of Distilled Spirits Producing 250,000 or fewer gallons per calendar year)

Local Government Authority

- The Florida Constitution states that the status of a county with respect thereto shall be changed only by vote of the electors in a special election called upon the petition of twenty-five per cent of the electors of the county, and not sooner than two years after an earlier election on the same question. Where legal, the sale of intoxicating liquors, wines and beers shall be regulated by law.

- The standards and procedures for local option elections are established in Chapter 567, Florida Statutes.

- Nothing contained in the Beverage Law shall be construed to affect or impair the power or right of any county or incorporated municipality of the state to enact ordinances regulating hours of business, location of place of business, sanitary regulations, type of entertainment and conduct permitted (consumption on premises) of any licensee under the Beverage Law within the county or corporate limits of such municipality.

- No tax on the manufacture, distribution, exportation, transportation, importation, or sale of such beverages shall be imposed by way of license, excise, or otherwise by any municipality, anything in any municipal charter or special or general law to the contrary notwithstanding. However, a portion of state license tax revenue is returned to the county or incorporated municipality where collected.

Licensing Information

Licenses are categorized by tier and business model.

Licensing fees are generally based on the scope of the activities permitted and the population of the county where the license is located.

Tier	Annual Fee Range	Number of Licensees
Beverage Manufacturer	$500-$4000	560
Beverage Distributor	$1000-$4000	988
Beverage Vendor	$25-$2500	50,507
Tobacco Manufacturer	$100	29
Tobacco Distributor	$0-$100	1,470
Tobacco Retail Dealer / Nicotine Retail Dealer	$0-$50	28,681

Florida dbpr Department of Business & Professional Regulation

Licensing Information

Quota Limitations on Liquor Licenses

Section 561.20(1), F.S., limits the number of licenses authorized for the sale of liquor – by the package or for consumption on the premises – to:

1 License Per 7,500 Residents (by county)

Limitation by population does not apply to numerous special license types, including:

- Hotels/Motels
- Condominium
- Food Service Establishment
- Caterer
- Culinary Education Program
- Public Fair/Expo
- Civic Center/Sports Arena
- Performing Arts Center
- Golf Clubs
- Tennis Clubs
- Fraternal Associations
- and others....

Licensing Information

Quota Limitations on Liquor Licenses

Section 561.19, F.S., governs procedures for issuance of new licenses when determined to be available by increases in county population:

1 License Per 7,500 Residents (by county)

Based on Population Estimates supplied by
Office of Economic and Demographic Research

Annual Entry Period - 45 days beginning on the third Monday in August
One entry per interested party per county - $100 fee per entry

2021 Drawing Entry Period

More than 34,000 entries for 49 quota beverage licenses in 27 counties.

Drawing date to be announced upon final validation of entries.

Compliance Activities

In FY 20-21, the Division performed over 56,465 alcoholic beverage and tobacco inspections, with a staff of 188 dedicated Bureau of Enforcement employees across 12 district offices.

- Routine compliance inspections resulted in an approximate 75% compliance rate at the time of inspection.

In FY20-21, the Division performed over 2,800 alcoholic beverage compliance surveys to determine whether licensees were complying with minimum age of purchase restrictions in Florida law.

- Nearly 84% of the alcohol-related compliance surveys resulted in vendor compliance.

Ch. 2021-166 (SB 46 – Craft Distilleries):

- Create license modifier to identify craft distilleries with vendor licenses within Destination Entertainment Venue zones (currently none).
- Create a process to intake requests for craft distilleries to be issued permits to sell at fairs and festivals.
- Update the Division's website with relevant information pertaining to changes within the new law.
- Reconfigure the Electronic Data Submission (EDS) system to allow for reporting of newly permitted transactions.
- Provide internal training and guidance to the licensing, auditing, and enforcement teams.

Ch. 2021-30 (SB 148 – Beverage Law):

- Create and provide a publically available informational bulletin.
- Provide internal training and guidance to the licensing, auditing, and enforcement teams.
- Amend rules as necessary to account for new methods of sale and service of alcoholic beverages.

2021 Laws of Florida Implementation

Ch. 2021-14 (SB 1080 – Tobacco and Nicotine Products):

- Create and provide a publically available informational bulletin.
- Create a license type for Retail Nicotine Products Dealers and update Retail Tobacco Dealer Permit form to account for the creation of the nicotine products permit.
- Update Required Signage for permitted premises.
- Provide internal training and guidance to the licensing, auditing, and enforcement teams.
- Update inspection forms and other documents to reflect statutory changes.
- Amend rules as necessary to account for new legal age of sale for tobacco products and the regulation of nicotine products by the Division.

2021 Laws of Florida Implementation

Ch. 2021-135 (SB 1966 – Department of Business and Professional Regulation)

- Mail all impacted licensees a copy of the email requirement notice.
- Mail all tax-paying licensees information related to the mandated use of the EDS program, and work with the small percentage that had not adopted the program for filing purposes previously.
- Enter rulemaking to amend all applicable forms to reflect the new application requirements related to email and right of occupancy.
- Modify the EDS system to account for all remaining statutory updates, and modify auditing procedures for Special Food Service (SFS) licensees.
- Provide internal training and guidance to the licensing, auditing, and enforcement teams.
- Update inspection forms and other documents to reflect statutory changes.
- Test all technology updates and amend other rules as necessary.

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