1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

2021

22

23

24

25

26

A bill to be entitled An act relating to malt beverages; amending s. 561.221, F.S.; providing requirements for a licensed manufacturer of malt beverages to sell such beverages directly to consumers; providing requirements for a taproom; prohibiting a manufacturer from holding a vendor's license at specified premises; providing requirements for a licensed manufacturer to obtain a vendor's license; specifying under what circumstances a manufacturer may sell alcoholic beverages under its vendor's license; requiring a manufacturer to complete certain reports; providing applicability; providing requirements for a brewpub to be licensed as a manufacturer or vendor; providing requirements for a brewpub to sell alcoholic beverages to consumers; amending s. 561.42, F.S.; deleting a prohibition against certain entities conducting tastings; amending s. 561.5101, F.S.; conforming a cross-reference; amending s. 561.57, F.S.; prohibiting common carriers from making deliveries of malt beverages to consumers; amending s. 562.34, F.S.; providing that possessing and transporting a growler is lawful; amending s. 563.022, F.S.; authorizing certain product shipments between a licensed manufacturing premises and between two manufacturers that brew malt beverages in collaboration; amending s. 563.06, F.S.; defining the

Page 1 of 17

term "growler"; providing requirements for growlers; creating s. 563.09, F.S.; authorizing a licensed distributor or manufacturer of malt beverages to conduct a malt beverage tasting; providing requirements and limitations; providing construction and severability; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (2) and (3) of section 561.221, Florida Statutes, are amended to read:

561.221 Retail exceptions to manufacturing licenses;

brewing exceptions to vendor licenses Licensing of manufacturers
and distributors as vendors and of vendors as manufacturers;

conditions and limitations.—

- engaged in the manufacture of malt beverages that is licensed and engaged in the manufacture of malt beverages in this state may sell directly to consumers in face-to-face transactions, which, notwithstanding s. 561.57(1), requires the physical presence of the consumer to make payment for and take receipt of the beverages on the licensed manufacturing premises, as follows:
- (a) At a taproom, a manufacturer may sell malt beverages
 brewed by the manufacturer or in collaboration with other
 manufacturers to consumers for on-premises or off-premises
 consumption without obtaining a vendor's license. A manufacturer
 of malt beverages shall comply with the following requirements

Page 2 of 17

related to its taproom:

- 1. The taproom must be a room or rooms located on the licensed manufacturing premises consisting of a single complex, which shall include a brewery. Such premises may be divided by no more than one public street or highway. The taproom shall be included on the sketch or diagram defining the licensed premises submitted with the manufacturer's license application pursuant to s. 561.01(11). All sketch or diagram revisions by the manufacturer must be approved by the division, verifying that the taproom operated by the licensed manufacturer is owned or leased by the manufacturer and is located on the licensed manufacturing premises.
- 2. At least 70 percent of the malt beverages sold per calendar year to consumers in the taproom must be brewed on the licensed manufacturing premises. Malt beverages brewed in collaboration with other manufacturers shall not be included in the 70 percent of malt beverages sold. No more than 30 percent of the malt beverages sold per calendar year to consumers in the taproom may be brewed by the manufacturer at other manufacturing premises and shipped to the licensed manufacturing premises pursuant to s. 563.022(14)(d) or brewed in collaboration with other manufacturers.
- 3. Malt beverages may be sold to consumers in the taproom for off-premises consumption in authorized containers pursuant to s. 563.06(6) and (7).
 - 4. A manufacturer of malt beverages is responsible for

Page 3 of 17

applicable reports pursuant to ss. 561.50 and 561.55 with respect to the amount of malt beverage sold or given to consumers in the taproom each month and shall pay applicable excise taxes thereon to the division by the 10th day of each month for the previous month.

- 5. This paragraph does not preclude a licensed manufacturer of malt beverages that operates a taproom from holding a permanent public food service establishment license under chapter 509 at the taproom.
- 6. A manufacturer may not hold a vendor's license at a licensed manufacturing premises that operates a taproom pursuant to this paragraph.
- (b) In lieu of a taproom, on or after July 1, 2014, the division may is authorized to issue vendor's licenses to a manufacturer of malt beverages at no more than two licensed manufacturing premises for which the manufacturer has an interest, directly or indirectly, in the license if the manufacturer meets the following requirements:
- 1. A licensed manufacturer may obtain one vendor's license at no more than two of the licensed manufacturing premises for which the manufacturer has an interest, directly or indirectly, in the license. Any additional licensed manufacturing premises for which the manufacturer has an interest, directly or indirectly, in the license may operate a taproom without a vendor's license pursuant to paragraph (a).
 - 2. The vendor's license shall be located on the licensed

Page 4 of 17

105 manufacturing premises consisting of a single complex, which 106 shall include a brewery. Such premises may be divided by no more 107 than one public street or highway. The licensed vendor premises 108 shall be included on the sketch or diagram defining the licensed 109 premises submitted with the manufacturer's license application 110 pursuant to s. 561.01(11). All sketch or diagram revisions by 111 the manufacturer must be approved by the division, verifying 112 that the vendor premises operated by the licensed manufacturer is owned or leased by the manufacturer and is located on the 113 114 licensed manufacturing premises. 115 3. The manufacturer may sell alcoholic beverages under its 116 vendor's license as follows: 117 a. Malt beverages manufactured on the licensed 118 manufacturing premises; at another licensed manufacturing 119 premises for which the manufacturer has an interest, directly or 120 indirectly, in the license; or in collaboration with another 121 manufacturer for: 122 (I) On-premises consumption. 123 (II) Off-premises consumption in authorized containers 124 pursuant to s. 563.06(6). 125 (III) Off-premises consumption in growlers pursuant to s. 126 563.06(7). 127 b. Malt beverages manufactured exclusively by other 128 manufacturers for: 129 (I) On-premises consumption.

Page 5 of 17

(II) Off-premises consumption in authorized containers

CODING: Words stricken are deletions; words underlined are additions.

130

131 pursuant to s. 563.06(6).

(III) Off-premises consumption in growlers pursuant to s. 563.06(7) by holders of a quota license.

- c. Any wine or liquor for on-premises or off-premises consumption as authorized under its vendor's license.
- 4. A manufacturer of malt beverages pursuant to this subsection is responsible for applicable reports pursuant to ss. 561.50 and 561.55 with respect to the amount of malt beverages manufactured and sold pursuant to its vendor's license, or given to consumers each month, including malt beverages brewed in collaboration with another manufacturer, and shall pay applicable excise taxes thereon to the division by the 10th day of each month for the previous month.
- 5. This paragraph does not preclude a licensed manufacturer of malt beverages with a vendor's license from holding a permanent public food service establishment license under chapter 509 on the licensed manufacturing premises.
- 6. An entity issued a manufacturer's and vendor's license at more than two licensed manufacturing premises pursuant to this paragraph before July 1, 2014, may maintain the licenses previously obtained but may not obtain additional vendor's licenses. However, except as to the allowance for manufacturers holding a vendor's license at more than two licensed manufacturing premises before July 1, 2014, a vendor's license held by a manufacturer of malt beverages pursuant to this paragraph, regardless of when first obtained, is subject to the

Page 6 of 17

requirements of subparagraphs 1.-5.

157

158

159

160

161

162

163

164

165

166

167

168

169

170

171

172

173

174

175

176

177

178

179

180

181

182

- 7. An entity with direct or indirect interests in vendor licenses issued to not more than two licensed manufacturing premises under this paragraph may not be related, directly or indirectly, to two or more other entities having interests, directly or indirectly, in other vendor licenses issued to other separate manufacturing premises. This subparagraph prohibits the creation of a chain of more than two vendor licensed manufacturing premises under common control of entities having direct or indirect interests in such vendor licensed manufacturing premises. This subparagraph does not prohibit the purchase or ownership of stock in a publicly traded corporation where the licensee does not have and does not obtain a controlling interest in the corporation, even if such manufacturer is also licensed as a distributor, for the sale of alcoholic beverages on property consisting of a single complex, which property shall include a brewery and such other structures which promote the brewery and the tourist industry of the state. However, such property may be divided by no more than one public street or highway.
- (3) The division may issue a manufacturer's license and a vendor's license to a brewpub. To operate as a brewpub, the following requirements must be met:
- (a) Notwithstanding other provisions of the Beverage Law, any vendor licensed in this state may be licensed as a manufacturer of malt beverages upon a finding by the division

Page 7 of 17

183 that:

- 1. The <u>brewpub</u> vendor <u>must</u> will be engaged in brewing malt beverages at a single <u>licensed brewpub premises</u> location and in an amount <u>that does</u> which will not exceed 10,000 kegs per <u>calendar</u> year. For purposes of this <u>paragraph</u> subsection, the term "keg" means 15.5 gallons.
- (b) A brewpub may sell alcoholic beverages in a face-to-face transaction with a consumer as follows:
- 1. Malt beverages manufactured on the licensed brewpub premises for on-premises consumption.
- 2. Malt beverages manufactured exclusively by other manufacturers for on-premises consumption as authorized under its vendor's license.
- 3. Any wine or liquor for on-premises consumption as authorized under its vendor's license.
- (c) A brewpub may not ship malt beverages to or between licensed brewpub premises owned by the licensed entity. A brewpub is not a manufacturer for the purposes of s. 563.022(14).
- (d) A brewpub may not distribute or sell malt beverages outside of the licensed brewpub premises.
- (e) A brewpub must hold a permanent public food service establishment license under chapter 509.
- 2. The malt beverages so brewed will be sold to consumers for consumption on the vendor's licensed premises or on contiguous licensed premises owned by the vendor.

Page 8 of 17

(f) (b) A brewpub is Any vendor which is also licensed as a manufacturer of malt beverages pursuant to this subsection shall be responsible for applicable reports pursuant to ss. 561.50 and 561.55 with respect to the amount of beverage manufactured each month and shall pay applicable excise taxes thereon to the division by the 10th day of each month for the previous month.

- (g) (c) A It shall be unlawful for any licensed distributor of malt beverages or any officer, agent, or other representative thereof may not to discourage or prohibit a brewpub any vendor licensed as a manufacturer under this subsection from offering malt beverages brewed for consumption on the licensed premises of the brewpub vendor.
- (h) (d) A It shall be unlawful for any manufacturer of malt beverages or any officer, agent, or other representative thereof may not to take any action to discourage or prohibit a any distributor of the manufacturer's product from distributing such product to a brewpub licensed vendor which is also licensed as a manufacturer of malt beverages pursuant to this subsection.
- Section 2. Paragraph (e) of subsection (14) of section 561.42, Florida Statutes, is amended to read:
- 561.42 Tied house evil; financial aid and assistance to vendor by manufacturer, distributor, importer, primary American source of supply, brand owner or registrant, or any broker, sales agent, or sales person thereof, prohibited; procedure for enforcement; exception.—
 - (14) The division shall adopt reasonable rules governing

Page 9 of 17

promotional displays and advertising, which rules shall not conflict with or be more stringent than the federal regulations pertaining to such promotional displays and advertising furnished to vendors by distributors, manufacturers, importers, primary American sources of supply, or brand owners or registrants, or any broker, sales agent, or sales person thereof; however:

(e) Manufacturers, distributors, importers, brand owners, or brand registrants of beer, and any broker, sales agent, or sales person thereof, shall not conduct any sampling activities that include tasting of their product at a vendor's premises licensed for off-premises sales only.

Section 3. Subsection (1) of section 561.5101, Florida Statutes, is amended to read:

561.5101 Come-to-rest requirement; exceptions; penalties.

(1) For purposes of inspection and tax-revenue control, all malt beverages, except those manufactured and sold pursuant to s. 561.221(2) or (3) 561.221(3), must come to rest at the licensed premises of an alcoholic beverage wholesaler in this state before being sold to a vendor by the wholesaler. The prohibition contained in this subsection does not apply to the shipment of malt beverages commonly known as private labels. The prohibition contained in this subsection shall not prevent a manufacturer from shipping malt beverages for storage at a bonded warehouse facility, provided that such malt beverages are distributed as provided in this subsection or to an out-of-state

Page 10 of 17

261 entity.

Section 4. Subsection (6) of section 561.57, Florida Statutes, is amended to read:

561.57 Deliveries by licensees.-

- (6) Common carriers are not required to have vehicle permits to transport alcoholic beverages. <u>Common carriers may</u> not make deliveries of malt beverages directly to a consumer.
- Section 5. Subsections (1) and (3) of section 562.34, Florida Statutes, are amended to read:
 - 562.34 Containers; seizure and forfeiture.
- (1) A It shall be unlawful for any person may not to have in her or his possession, custody, or control any cans, jugs, jars, bottles, vessels, or any other type of containers which are being used, are intended to be used, or are known by the possessor to have been used to bottle or package alcoholic beverages; however, this subsection does provision shall not apply to a any person properly licensed to bottle or package such alcoholic beverages, a or to any person intending to dispose of such containers to a person, firm, or corporation properly licensed to bottle or package such alcoholic beverages, or a person who has in her or his possession, custody, or control a growler as defined in s. 563.06(7).
- (3) A It shall be unlawful for any person may not to transport any cans, jugs, jars, bottles, vessels, or any other type of containers intended to be used to bottle or package alcoholic beverages; however, this subsection does section shall

Page 11 of 17

not apply to <u>a</u> any firm or corporation holding a license to manufacture or distribute such alcoholic beverages, <u>a</u> and shall not apply to any person transporting such containers to <u>a</u> any person, firm, or corporation holding a license to manufacture or distribute such alcoholic beverages, or a person transporting a growler as defined in s. 563.06(7).

- Section 6. Paragraph (d) of subsection (14) of section 563.022, Florida Statutes, is amended to read:
- 563.022 Relations between beer distributors and manufacturers.—

- (14) MANUFACTURER; PROHIBITED INTERESTS.-
- (d) Nothing in the Beverage Law shall be construed to prohibit a manufacturer from shipping products to or between the licensed manufacturing premises its breweries without a distributor's license. Malt beverages brewed in collaboration between two manufacturers shall be considered products of both manufacturers and may be shipped to the licensed manufacturing premises of either manufacturer pursuant to this section.
- Section 7. Subsections (1) and (6) of section 563.06, Florida Statutes, are amended, present subsection (7) is renumbered as subsection (8) and amended, and a new subsection (7) is added to that section, to read:
- 563.06 Malt beverages; imprint on individual container; size of containers; growlers; exemptions.—
- (1) On and after October 1, 1959, All taxable malt beverages packaged in individual containers possessed by any

Page 12 of 17

person in the state for the purpose of sale or resale in the state, except operators of railroads, sleeping cars, steamships, buses, and airplanes engaged in interstate commerce and licensed under this section, shall have imprinted thereon in clearly legible fashion by any permanent method the word "Florida" or "FL" and no other state name or abbreviation of any state name in not less than 8-point type. The word "Florida" or "FL" shall appear first or last, if imprinted in conjunction with any manufacturer's code. A facsimile of the imprinting and its location as it will appear on the individual container shall be submitted to the division for approval.

- subsection (7), all malt beverages packaged in individual containers sold or offered for sale by vendors at retail in this state shall be in individual containers containing no more than 32 ounces of such malt beverages; provided, however, that nothing contained in this section shall affect malt beverages packaged in bulk, or in kegs, or in barrels or in any individual container containing 1 gallon or more of such malt beverage regardless of individual container type.
- (7) (a) As used in the Beverage Law, the term "growler" means any 32-ounce, 64-ounce, 128-ounce, 1-liter, or 2-liter container originally manufactured to hold malt beverages.
 - (b) A growler may be filled or refilled with:
- 1. A malt beverage manufactured by a manufacturer that holds a valid manufacturer's license and operates a taproom

Page 13 of 17

339

353

354

355

356

357

358

359

360

361

362

363

364

pursuant to s. 561.221(2)(a).

340 2. A malt beverage manufactured by a manufacturer that 341 holds a valid manufacturer's license and a valid vendor's 342 license pursuant to s. 561.221(2)(b). 343 3. A malt beverage manufactured by a manufacturer that 344 holds a valid manufacturer's license pursuant to s. 561.221(2) 345 and a valid quota license pursuant to ss. 561.20(1) and 346 565.02(1)(a)-(f). 347 4. A malt beverage sold by a vendor who holds a valid quota license pursuant to ss. 561.20(1) and 565.02(1)(a)-(f). 348 349 (c) A growler must have an unbroken seal or be incapable 350 of being immediately consumed. 351 (d) A growler must be clearly labeled as containing an 352

- alcoholic beverage and provide the name of the manufacturer, the brand, the volume, the percentage of alcohol by volume, and the required label information for alcoholic beverages under 27 C.F.R. s. 16.21. If a growler being refilled has an existing label or other identifying mark from a manufacturer or brand, that label shall be covered sufficiently to indicate the manufacturer and brand of the malt beverage placed in the growler.
 - (e) A growler must be clean before being filled.
- (f) A licensee authorized to fill growlers may not use growlers for purposes of distribution or sale outside the licensed manufacturing premises or licensed vendor premises.
 - (8) (7) A Any person, firm, or corporation or an agent,

Page 14 of 17

365	officer, or employee thereof who violates, its agents, officers,
366	or employees, violating any of the provisions of this section
367	commits, shall be guilty of a misdemeanor of the first degree,
368	punishable as provided in s. 775.082 or s. 775.083 $\underline{\prime}$ and the
369	license, if any, shall be subject to revocation or suspension by
370	the division.
371	Section 8. Section 563.09, Florida Statutes, is created to
372	read:
373	563.09 Malt beverage tastings by distributors and
374	manufacturers.—
375	(1) A licensed distributor of malt beverages or a
376	manufacturer of malt beverages may conduct a malt beverage
377	tasting subject to the following requirements:
378	(a) Tastings may only be conducted in the interior of a
379	licensed vendor premises authorized to sell alcoholic beverages
380	as follows:
381	1. By package, if the premises consists of at least 10,000
382	square feet or more of interior space.
383	2. By package, if the premises is licensed pursuant to s.
384	565.02(1)(a), regardless of the interior square footage of the
385	<pre>premises.</pre>
386	3. For consumption on the premises.
387	(b) The malt beverage tasting must be limited to and
388	directed toward members of the general public who are of the age
389	of legal consumption.

Page 15 of 17

CODING: Words stricken are deletions; words underlined are additions.

Samples may be:

(C)

391 1. No more than 3 ounces for each product sampled.

392

393

394

395

396

397

398

399

400 401

402

403

404

405

406

407

408

409

410

411

412

413

414

- 2. Served in a cup, glass, or other open container.
- (d) The manufacturer or distributor may purchase the malt beverages used in the tastings from the vendor at no more than retail price.
- (e) The manufacturer or distributor conducting the tasting
 shall:
 - 1. Provide all of the malt beverages used for the tasting.
- 2. Not pay a vendor a fee or compensation of any kind, including the provision of any malt beverage at no or reduced cost.
- 3. Be responsible for applicable reports and shall pay applicable excise taxes thereon to the division. If the manufacturer or distributor contracts with a third party to conduct the tasting, the manufacturer or distributor remains responsible for the recordkeeping requirements and excise tax payments.
- 4. Properly dispose of malt beverages provided for the tastings which remain unconsumed after a tasting.
- (2) This section does not preclude a vendor from conducting a malt beverage tasting on its licensed vendor premises using malt beverages from its own inventory.
- (3) This section is supplemental to and does not supersede any special act or ordinance.
- Section 9. <u>If a provision of s. 561.221(2), Florida</u>

 Statutes, as amended by this act, is held invalid, or if the

Page 16 of 17

417	application of that subsection to any person or circumstance is
418	held invalid, the invalidity does not affect other provisions or
419	applications of this act which can be given effect without the
420	invalid provision or application, and to this end s. 561.221(2),
421	Florida Statutes, is severable.
422	Section 10. This act shall take effect July 1, 2014.

Page 17 of 17