COMMITTEE AMENDMENT

Florida Senate - 2014 Bill No. SPB 7120

		563586	
		LEGISLATIVE ACTION	
	Senate		House
	Comm: FAV		
	03/28/2014		
	_	lated Industries (Starg	el) recommended the
	following:		
1	Senate Amendment	(with title amendment)	
2			
3		g after the enacting cl	ause
4	and insert:		
5	Section 1. Subsec	ction (22) is added to	section 561.01,
6	Florida Statutes, to r	read:	
7	561.01 Definitior	ns.—As used in the Beve	rage Law:
8	(22) "Growler" me	eans a clean container	made of glass,
9	ceramic, metal, or sin	nilar leak-proof materi	al having a capacity
10	of 32 ounces, 64 ounce	es, or 128 ounces which	, in response to an

Page 1 of 12

14

15

16

17

18

37

38

39

563586

11 <u>order in a face-to-face transaction for off-premises</u> 12 <u>consumption, is filled with a malt beverage and sealed on the</u> 13 <u>premises at or immediately before or after the time of sale.</u>

Section 2. Section 561.221, Florida Statutes, is amended to read:

561.221 Licensing of manufacturers and distributors as vendors and of vendors as manufacturers; <u>exceptions</u>, conditions, and limitations.-

(1) (a) Nothing contained in s. 561.22, s. 561.42, or any 19 20 other provision of the Beverage Law prohibits the ownership, 21 management, operation, or control of not more than three 22 vendor's licenses for the sale of alcoholic beverages by a 23 manufacturer of wine who is licensed and engaged in the 24 manufacture of wine in this state, even if such manufacturer is 25 also licensed as a distributor; provided that no such vendor's 26 license shall be owned, managed, operated, or controlled by any 27 licensed manufacturer of wine unless the licensed premises of 28 the vendor are situated on property contiguous to the 29 manufacturing premises of the licensed manufacturer of wine.

(b) The Division of Alcoholic Beverages and Tobacco shall
issue permits to a certified Florida Farm Winery to conduct
tasting and sales of wine produced by certified Florida Farm
Wineries at Florida fairs, trade shows, expositions, and
festivals. The certified Florida Farm Winery shall pay all entry
fees and shall have a winery representative present during the
event. The permit is limited to the length of the event.

(2) <u>Notwithstanding s. 561.22</u>, <u>s. 561.42</u>, <u>or any other</u> <u>provision of the Beverage Law</u>, the division is authorized to issue vendor's licenses to a manufacturer of malt beverages,

COMMITTEE AMENDMENT

Florida Senate - 2014 Bill No. SPB 7120

563586

40 even if such manufacturer is also licensed as a distributor, for 41 the sale of alcoholic beverages on property consisting of a 42 single complex, which property shall include a brewery and such 43 other structures which promote the brewery and the tourist industry of the state. However, such property may be divided by 44 45 no more than one public street or highway. A vendor's license 46 issued under this subsection is subject to the following 47 restrictions: 48 (a) Sales to consumers for off-premises consumption of 49 malt beverages are limited to growlers that are filled or 50 refilled with malt beverages manufactured on the licensed premises pursuant to the requirements of s. 563.06(7). Such 51 52 sales must be made directly to consumers in face-to-face 53 transactions. Malt beverages manufactured at another location, 54 including another licensed manufacturing premises directly or 55 indirectly owned in whole or in part by the manufacturer, and 56 malt beverages manufactured by any other manufacturer may be 57 sold as authorized by the manufacturer's vendor license, 58 provided that malt beverages sold for consumption off the 59 licensed premises shall be obtained from a licensed distributor 60 and sold to the consumer in their original sealed containers. 61 This paragraph does not prohibit the sale of other alcoholic 62 beverages for on-premises or off-premises consumption, as authorized under the manufacturer's vendor license, provided 63 64 that such beverages are obtained from a licensed distributor. (b) Notwithstanding s. 561.57(1), the delivery of a growler 65 66 off a licensed premises, whether by common or premises carrier 67 or by an operator of a privately owned motor vehicle or other conveyance, is prohibited. In addition, a consumer or other 68

Page 3 of 12

563586

69	person may not arrange for the delivery of any growler off the
70	licensed premises to the consumer, whether by common or premises
71	carrier or by an operator of a privately owned motor vehicle or
72	other conveyance. However, this paragraph does not prohibit a
73	consumer from taking the growler purchased by the consumer under
74	this subsection from the licensed premises to another location
75	by a privately owned motor vehicle or other conveyance.
76	(c) A manufacturer licensed as a vendor is responsible for
77	applicable reports pursuant to ss. 561.50 and 561.55 with
78	respect to the amount of malt beverages sold or given to
79	consumers on the licensed premises each month and must pay the
80	applicable excise taxes to the division by the 10th day of each
81	month for the previous month.
82	(d) This subsection does not preclude a licensed
83	manufacturer of malt beverages from also holding a permanent
84	food service license at the licensed premises.
85	(e) This subsection is a limited exception to ss. 561.42
86	and 561.22. Except as specifically provided in this subsection
87	to permit a manufacturer of malt beverages to also be licensed
88	as a vendor, a manufacturer of malt beverages is subject to the
89	restrictions in ss. 561.42 and 561.22.
90	Section 3. Section 561.37, Florida Statutes, is amended to
91	read:
92	561.37 Bond for payment of taxes.—Each manufacturer and
93	each distributor shall file with the division a surety bond
94	acceptable to the division in the sum of \$25,000 as surety for
95	the payment of all taxes, provided, however, that when in the
96	discretion of the division the amount of business done by the
97	manufacturer or distributor is of such volume that a bond of

RI.RI.03130

563586

98 less than \$25,000 will be adequate to secure the payment of all 99 taxes assessed or authorized by the Beverage Law, the division 100 may accept a bond in a lesser sum than \$25,000, but in no event 101 shall it accept a bond of less than \$10,000, and it may at any 102 time in its discretion require any bond in an amount less than 103 \$25,000 to be increased so as not to exceed \$25,000; provided, 104 however, that the amount of bond required for a brewer shall be 105 \$5,000 \$20,000, except that where, in the discretion of the 106 division, the amount of business done by the brewer is of such volume that a bond of less than $$5,000 \frac{20,000}{520,000}$ will be adequate 107 108 to secure the payment of all taxes assessed or authorized by the 109 Beverage Law, the division may accept a bond in a lesser sum 110 than $$5,000 \frac{20,000}{0}$, but in no event shall it accept a bond of 111 less than \$2,500 \$10,000, and it may at any time in its 112 discretion require any bond in an amount less than \$5,000 113 $\frac{20,000}{500}$ to be increased so as not to exceed \$5,000 $\frac{20,000}{5000}$; 114 provided further that the amount of the bond required for a wine 115 or wine and cordial manufacturer shall be \$5,000, except that, 116 in the case of a manufacturer engaged solely in the experimental 117 manufacture of wines and cordials from Florida products, where 118 in the discretion of the division the amount of business done by 119 such manufacturer is of such volume that a bond of less than 120 \$5,000 will be adequate to secure the payment of all taxes 121 assessed or authorized by the Beverage Law, the division may 122 accept a bond in a lesser sum than \$5,000, but in no event shall 123 it accept a bond of less than \$1,000 and it may at any time in 124 its discretion require a bond in an amount less than \$5,000 to 125 be increased so as not to exceed \$5,000; provided, further, that the amount of bond required for a distributor who sells only 126

563586

127 beverages containing not more than 4.007 percent of alcohol by 128 volume, in counties where the sale of intoxicating liquors, 129 wines, and beers is prohibited, and to distributors who sell 130 only beverages containing not more than 17.259 percent of 131 alcohol by volume and wines regardless of alcoholic content, in 132 counties where the sale of intoxicating liquors, wines, and 133 beers is permitted, shall file with the division a surety bond 134 acceptable to the division in the sum of \$25,000, as surety for 135 the payment of all taxes; provided, however, that where in the 136 discretion of the division the amount of business done by such 137 distributor is of such volume that a bond of less than \$25,000 138 will be adequate to secure the payment of all taxes assessed or 139 authorized by the Beverage Law the division may accept a bond in 140 a less sum than \$25,000 but in no event shall it accept a bond 141 less than \$1,000 and it may at any time in its discretion 142 require any bond in an amount less than \$25,000 to be increased 143 so as not to exceed \$25,000; provided, further, that the amount 144 of bond required for a distributor in a county having a 145 population of 15,000 or less who procures a license by which his 146 or her sales are restricted to distributors and vendors who have 147 obtained licenses in the same county, shall be \$5,000.

Section 4. Subsection (1) of section 561.5101, Florida 148 Statutes, is amended to read:

149 150 151

155

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

(1) For purposes of inspection and tax-revenue control, all 152 malt beverages, except those manufactured and sold pursuant to 153 s. 561.221(2) or (3) s. 561.221(3), must come to rest at the 154 licensed premises of an alcoholic beverage wholesaler in this state before being sold to a vendor by the wholesaler. The

RI.RI.03130



156 prohibition contained in this subsection does not apply to the 157 shipment of malt beverages commonly known as private labels. The 158 prohibition contained in this subsection <u>does</u> shall not prevent 159 a manufacturer from shipping malt beverages for storage at a 160 bonded warehouse facility <u>if</u>, provided that such malt beverages 161 are distributed as provided in this subsection or to an out-of-162 state entity.

Section 5. Subsections (1) and (3) of section 562.34, Florida Statutes, are amended to read:

165

163

164

562.34 Containers; seizure and forfeiture.-

(1) A It shall be unlawful for any person may not to have 166 167 in her or his possession, custody, or control any cans, jugs, 168 jars, bottles, vessels, or any other type of containers that 169 which are being used, are intended to be used, or are known by 170 the possessor to have been used to bottle or package alcoholic beverages.; however, This subsection does provision shall not 171 172 apply to a any person properly licensed to bottle or package 173 such alcoholic beverages, a or to any person intending to 174 dispose of such containers to a person, firm, or corporation 175 properly licensed to bottle or package such alcoholic beverages, or a person that has in her or his possession a growler. 176

177 (3) A It shall be unlawful for any person may not to 178 transport any cans, jugs, jars, bottles, vessels, or any other 179 type of containers intended to be used to bottle or package 180 alcoholic beverages.; however, This subsection does section 181 shall not apply to a any firm or corporation holding a license 182 to manufacture or distribute such alcoholic beverages, a and 183 shall not apply to any person transporting such containers to a any person, firm, or corporation holding a license to 184



185	manufacture or distribute such alcoholic beverages, or a person
186	transporting a growler.
187	Section 6. Subsection (14) of section 563.022, Florida
188	Statutes, is reenacted and amended to read:
189	563.022 Relations between beer distributors and
190	manufacturers
191	(14) MANUFACTURER; PROHIBITED INTERESTS
192	(a) This subsection applies to:
193	1. A manufacturer;
194	2. <u>An</u> Any officer, director, agent, or employee of a
195	manufacturer; or
196	3. An affiliate of <u>a</u> any manufacturer, regardless of
197	whether the affiliation is corporate or by management,
198	direction, or control.
199	(b) Except as provided in paragraph (c), <u>an</u> no entity or
200	person specified in paragraph (a) may <u>not</u> have an interest in
201	the license, business, assets, or corporate stock of a licensed
202	distributor and may not nor shall such entity sell directly to a
203	any vendor in this state other than <u>a vendor</u> to vendors who are
204	licensed pursuant to s. 561.221(2).
205	(c) <u>An</u> Any entity <u>or person specified</u> described in
206	paragraph (a) may financially assist a proposed distributor in
207	acquiring ownership of the distributorship through participation
208	in a limited partnership arrangement in which the entity <u>or</u>
209	person specified described in paragraph (a) is a limited partner
210	and the proposed distributor seeking to acquire ownership of the
211	distributorship is the general partner. Such <u>a</u> limited
212	partnership <u>arrangement</u> arrangements may exist for <u>up to</u> no
213	longer than 8 years from its their creation and may shall not be

563586

214 extended or renewed by means of a transfer of full ownership to an entity or person specified described in paragraph (a) 215 216 followed by the creation of a new limited partnership or by any 217 other means. In any such arrangement for financial assistance, 218 the federal basic permit and distributor's license issued by the 219 division shall be issued in the name of the distributor and not 220 in the name of an entity or person specified described in 221 paragraph (a). If, after the creation of a limited partnership 222 pursuant to this paragraph, an entity or person specified 223 described in paragraph (a) acquires title to the distributorship 224 that which was the subject of the limited partnership, the 225 entity or person specified described in paragraph (a) shall 226 divest itself of the distributorship within 180 days, and the 227 distributorship shall be ineligible for limited partnership 228 financing for 20 years thereafter. An No entity or person 229 specified described in paragraph (a) may not shall enter into a 230 limited partnership arrangement with a licensed distributor 231 whose distributorship existed and was operated before prior to 232 the creation of such limited partnership arrangement.

(d) Nothing in The Beverage Law <u>does not</u> shall be construed to prohibit a manufacturer from shipping products to or between its breweries without a distributor's license.

(e) Notwithstanding the provisions of paragraph (b), an any entity or person specified named in paragraph (a) may have an interest in the license, business, assets, or corporate stock of a licensed distributor for a maximum of 180 consecutive days as the result of a judgment of foreclosure against the distributor or for 180 consecutive days after acquiring title pursuant to the written request of the licensed distributor. Under either of

233

234

235

254

255

256

257

258

259

260

261 262

266

267

268

269

270

271



243 these circumstances, manufacturer ownership of an interest in 244 the license, business, assets, or corporate stock of a licensed distributor may shall only be for 180 days and only for the 245 246 purpose of facilitating an orderly transfer of the distributorship to an owner not affiliated with a manufacturer. 247 248 (f) Notwithstanding the provisions of paragraph (b), an any 249 entity or person specified named in paragraph (a) may have a 250 security interest in the inventory or property of its licensed 251 distributors to secure payment for that said inventory or other 252 loans for other purposes. 253 Section 7. Subsection (6) of section 563.06, Florida

Section 7. Subsection (6) of section 563.06, Florida Statutes, is amended to read:

563.06 Malt beverages; imprint on individual container; size of containers; growlers; exemptions.-

(6) All malt beverages packaged in individual containers sold or offered for sale by vendors at retail in this state, <u>except for malt beverages sold in growlers pursuant to section</u> <u>563.061, must shall</u> be in individual containers containing no more than 32 ounces of such malt beverages.; provided, however, that nothing contained in

263 <u>Section 8. Section 563.061, Florida Statutes, is created to</u> 264 <u>read:</u> 265 563.061 Malt beverages; filling and refilling of gowlers.-

563.061 Malt beverages; filling and refilling of gowlers.-(1) The filling or refilling of a growler is limited to: (a) A manufacturer of malt beverages who holds a valid vendor's license pursuant to s. 561.221(2) if the growler is filled or refilled with malt beverages manufactured on the licensed premises for sale for off-premises consumption to consumers in a face-to-face transaction on the licensed

Page 10 of 12

563586

premises; or	
(b) A vendor holding a quota license under ss. 561.20(1)	
and 565.02(1)(a) with malt beverages authorized under that	
license for sale for off-premises consumption to consumers in a	
face-to-face transaction on the licensed premises;	
(2) The growler must have an unbroken seal, or its contents	3
must be incapable of being immediately consumed.	
(3) The growler must be clearly labeled as containing an	
alcoholic beverage and provide the name of the manufacturer, the	5
brand, the volume, the percentage of alcohol by volume, and the	
required federal health warning notice for alcoholic beverages.	
If a growler being refilled has an existing label or other	
identifying mark of a manufacturer or brand from a prior filling	<u>J</u>
or refilling, that label must be covered sufficiently to	
indicate the manufacturer and brand of the malt beverage being	
placed in the container at that refilling.	
(4) The growler must be clean before being filled or	
refilled.	
(5) A licensee authorized to fill and refill growlers may	
not use growlers for purposes of distribution or sale outside	
the manufacturer's or vendor's licensed premises, except as	
authorized under this subsection and s. 561.221(2).	
Section 9. If any provision of this act or its application	
to any person or circumstance is held invalid, the invalidity	
does not affect other provisions or applications of the act	
which can be given effect without the invalid provision or	
application, and to this end the provisions of this act are	
severable.	
Section 10. This act shall take effect July 1, 2014.	

563586

301	
302	
303	======================================
304	And the title is amended as follows:
305	Delete everything before the enacting clause
306	and insert:
307	A bill to be entitled
308	An act relating to malt beverages; amending s. 561.01,
309	F.S.; defining the term "growler"; amending s. 561.221, F.S.;
310	clarifying three-tier system exceptions and application with
311	respect to the manufacture, distribution, and sale of malt
312	beverages; revising requirements for licensure and operation of
313	manufacturers and vendors; providing legislative intent;
314	amending s. 561.37, F.S., to revise bond requirements for
315	brewers; amending s. 561.5101, F.S.; adding an exception to the
316	come-to-rest requirement; amending s. 562.34, F.S.; authorizing
317	the possession and transportation of a growler; reenacting s.
318	563.022(14), F.S., relating to prohibited interests between a
319	manufacturer and a distributor of malt beverages, to incorporate
320	the amendments made to s. 561.221, F.S., in a reference thereto;
321	amending s. 563.06, F.S.; revising provisions relating to the
322	sale of malt beverages at retail in containers of specified
323	sizes, to conform to changes made by the act; creating s.
324	563.061, F.S.; providing requirements for and limitations on the
325	filling, refilling, and sale or distribution of growlers;
326	providing penalties; providing severability; providing an
327	effective date.
328	