COMMITTEE/SUBCOMMITT	TEE ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Regulatory Affairs Committee

Representative Steube offered the following:

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# Amendment (with title amendment)

Remove everything after the enacting clause and insert: Section 1. 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 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

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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:

- (a) If a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales agent, or sales person thereof, provides a vendor with expendable retailer advertising specialties such as trays, coasters, mats, menu cards, napkins, cups, glasses, thermometers, and the like, such items may shall be sold only at a price not less than the actual cost to the industry member who initially purchased them, without limitation in total dollar value of such items sold to a vendor.
- (b) Without limitation in total dollar value of such items provided to a vendor, a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales agent, or sales person thereof, may rent, loan without charge for an indefinite duration, or sell durable retailer advertising specialties such as clocks, pool table lights, and the like, which bear advertising matter.
- (c) If a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales agent, or sales person thereof, provides a vendor with consumer advertising specialties such as ashtrays, T-shirts, bottle openers, shopping bags, and the like, such items may shall be sold only at a price not less than the actual cost to the

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industry member who initially purchased them, <u>and but may be</u> sold without limitation in total value of such items sold to a vendor.

- (d) A manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales agent, or sales person thereof, may provide consumer advertising specialties described in paragraph (c) to consumers on any vendor's licensed premises.
- (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.
- (e) (f) A manufacturer Manufacturers, distributor

  distributors, importer importers, brand owner owners, or brand registrant registrants of malt beverages beer, and any broker, sales agent, or sales person thereof or contracted third-party, may shall not engage in cooperative advertising with a vendor and may not name a vendor in any advertising for a malt beverage tasting authorized under s. 563.09 vendors.
- (f) (g) A distributor Distributors of malt beverages beer may sell to a vendor vendors draft equipment and tapping accessories at a price not less than the cost to the industry member who initially purchased them, except there is no required charge, and the a distributor may exchange any parts that which are not compatible with a competitor's system and are necessary

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to dispense the distributor's brands. A distributor of <u>malt</u>
<u>beverages</u> beer may furnish to a vendor at no charge replacement
parts of nominal intrinsic value, including, but not limited to,
washers, gaskets, tail pieces, hoses, hose connections, clamps,
plungers, and tap markers.

Section 2. Subsection (1) of section 562.111, Florida Statutes, is amended to read:

562.111 Possession of alcoholic beverages by persons under age 21 prohibited.—

(1)It is unlawful for any person under the age of 21 years, except a person employed under the provisions of s. 562.13 acting in the scope of her or his employment, to have in her or his possession alcoholic beverages, except that nothing contained in this subsection shall preclude the employment of any person 18 years of age or older in the sale, preparation, or service of alcoholic beverages in licensed premises in any establishment licensed by the Division of Alcoholic Beverages and Tobacco or the Division of Hotels and Restaurants except as otherwise provided in s. 565.04. Notwithstanding the provisions of s. 562.45, any person under the age of 21 who is convicted of a violation of this subsection is guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083; however, any person under the age of 21 who has been convicted of a violation of this subsection and who is thereafter convicted of a further violation of this subsection is, upon conviction of the further offense, guilty of a

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- 96 misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.
- 98 Section 3. Section 563.09, Florida Statutes, is created to 99 read:
  - $\underline{\mbox{563.09}}$  Malt beverage tastings by distributors and manufacturers.—
  - (1) A manufacturer, distributor, or importer of malt beverages, or any contracted third-party agent thereof, may conduct sampling activities that include the tasting of malt beverage products on:
  - (a) The licensed premises of a vendor authorized to sell alcoholic beverages by the drink for consumption on premises; or
  - (b) The licensed premises of a vendor authorized to sell alcoholic beverages only in sealed containers for consumption off premises if:
  - 1. The licensed premises is at an establishment with at least 10,000 square feet of interior floor space exclusive of storage space not open to the general public; or
  - 2. The licensed premises is a package store licensed unders. 565.02(1)(a).
  - (2) A malt beverage tasting conducted under this section must be limited to and directed toward the general public of the age of legal consumption.
  - (3) For a malt beverage tasting conducted under this section on the licensed premises of a vendor authorized to sell alcoholic beverages for consumption on premises, each serving of

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a malt beverage to be tasted must be provided to the consumer by the drink in a tasting cup, glass, or other open container and may not be provided by the package in an unopened can or bottle or in any other sealed container.

- (4) For a malt beverage tasting conducted under this section on the licensed premises of a vendor authorized to sell alcoholic beverages only in sealed containers for consumption off premises, the tasting must be conducted in the interior of the building constituting the vendor's licensed premises and each serving of a malt beverage to be tasted must be provided to the consumer in a tasting cup having a capacity of 3.5 ounces or less.
- (5) A manufacturer, distributor, or importer, or any contracted third-party agent thereof, may not pay a vendor, and a vendor may not accept, a fee or compensation of any kind, including the provision of a malt beverage at no cost or at a reduced cost, to authorize the conduct of a malt beverage tasting under this section.
- (6) (a) A manufacturer, distributor, or importer, or any contracted third-party agent thereof, conducting a malt beverage tasting under this section, must provide all of the beverages to be tasted; must have paid all excise taxes on those beverages which are required of the manufacturer or distributor; and must return to the manufacturer's or distributor's inventory all of the malt beverages provided for the tasting that remain unconsumed after the tasting. More than one tasting may be held

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on the	e licen	sed	premis	ses	each	day,	but	on	ly c	one	manufac	cturer,
distri	butor,	imp	porter,	or	con	tracte	d t	hir	d-pa	arty	agent	thereof,
may co	nduct	a ta	asting	on	the	premis	es	at	any	one	time.	

- (b) This subsection does not preclude a manufacturer, distributor, or importer, or any contracted third-party agent thereof, from buying the malt beverages that it provides for the tasting from a vendor at no more than the retail price, but all of the malt beverages so purchased and provided for the tasting which remain unconsumed after the tasting must be removed from the premises of the tasting and properly disposed of.
- (7) A manufacturer, distributor, or importer of malt beverages that contracts with a third-party agent to conduct a malt beverage tasting under this section on its behalf is responsible for any violation of this section by such agent.
- (8) This section does not preclude a vendor from conducting a malt beverage tasting on its licensed premises using malt beverages from its own inventory.
- (9) This section is supplemental to and does not supersede any special act or ordinance.
- (10) The division may, pursuant to ss. 561.08 and 561.11, adopt rules to implement, administer, and enforce this section.
- Section 4. Subsections (9) and (11) of section 565.02, Florida Statutes, is amended to read:
- 565.02 License fees; vendors; clubs; caterers; and others.—

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- (9) It is the finding of the Legislature that passenger vessels engaged exclusively in foreign commerce are susceptible to a distinct and separate classification for purposes of the sale of alcoholic beverages under the Beverage Law. Upon the filing of an application and payment of an annual fee of \$1,100, the director is authorized to issue a permit authorizing the operator, or, if applicable, his or her concessionaire, of a passenger vessel which has cabin-berth capacity for at least 75 passengers, and which is engaged exclusively in foreign commerce, to sell alcoholic beverages on the vessel for consumption on board only:
- (a) During a period not in excess of 24 hours prior to departure while the vessel is moored at a dock or wharf in a port of this state; or
- (b) At any time while the vessel is located in Florida territorial waters and is in transit to or from international waters.

One such permit shall be required for each such vessel and shall name the vessel for which it is issued. No license shall be required or tax levied by any municipality or county for the privilege of selling beverages for consumption on board such vessels. The beverages so sold may be purchased outside the state by the permittee, and the same shall not be considered as imported for the purposes of s. 561.14(3) solely because of such sale. The permittee is not required to obtain its beverages from

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licensees under the Beverage Law, but it shall keep a strict account of all such beverages sold within this state and shall make monthly reports to the division on forms prepared and furnished by the division. A permittee who sells on board the vessel beverages withdrawn from United States Bureau of Customs and Border Protection bonded storage on board the vessel may satisfy such accounting requirement by supplying the division with copies of the appropriate United States Bureau of Customs and Border Protection forms evidencing such withdrawals as importations under United States customs laws. Such permittee shall pay to the state an excise tax for beverages sold pursuant to this section, if such excise tax has not previously been paid, in an amount equal to the tax which would be required to be paid on such sales by a licensed manufacturer or distributor. The calculation of excise tax due under this subsection must be based on the advertised volume per drink. A vendor holding such permit shall pay the tax monthly to the division at the same time he or she furnishes the required report. Such report shall be filed on or before the 15th day of each month for the sales occurring during the previous calendar month.

(11) The John and Mable Ringling Museum of Art direct-support organization or a museum that has been in continuous existence for at least 10 years may obtain a license upon the payment of an annual license tax of \$400. For the purposes of this subsection, the term "museum" means an incorporated public or private not-for-profit agency or institution located in

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Florida and organized on a permanent basis for primarily educational, scientific, or aesthetic purposes, which owns or utilizes tangible objects, cares for them, and exhibits them to the public on a regular basis. Such license shall permit sales for consumption on the premises of the museum in conjunction with artistic, educational, cultural, civic, or charitable events held on the premises of the museum under the auspices or authorization of the licensee. The issuing of a license under this subsection is not subject to any quota or limitation, except that the license shall be issued only to the museum corporation or its direct-support organization of the museum or its designee. Except as otherwise provided in this subsection, the entity licensed hereunder shall be treated as a vendor licensed to sell by the drink the beverages mentioned herein and shall be subject to all provisions relating to such vendors.

Section 5. Subsections (1) and (2) of section 565.03, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

565.03 License fees; manufacturers, distributors, brokers, sales agents, and importers of alcoholic beverages; vendor licenses and fees; craft distilleries.—

- (1) As used in this section, the term:
- (a) "Craft distillery" means a licensed distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises and has notified the division in writing of its decision to qualify as a craft distillery.

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- (b) "Distillery" means a manufacturer that distills ethyl alcohol or ethanol to create of distilled spirits.
- (2) (a) A distillery authorized to do business under the Beverage Law shall pay an annual state license tax for each plant or branch operating in the state, as follows:
- 1. If engaged in the business of manufacturing distilled spirits, a state license tax of \$4,000.
- 2. If engaged in the business of rectifying and blending spirituous liquors and nothing else, a state license tax of \$4,000.
- (b) Persons licensed under this section who are in the business of distilling spirituous liquors may also engage in the business of rectifying and blending spirituous liquors without the payment of an additional license tax.
- (c) A craft distillery licensed under this section may sell to consumers, at its souvenir gift shop, spirits distilled on its premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption. Such sales are authorized only on private property contiguous to the licensed distillery premises in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery's license application. All sketch or diagram revisions by the distillery shall require the division's approval verifying that the souvenir gift shop location operated by the licensed distillery is owned or leased by the distillery and on property contiguous to the distillery's production

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building in this state. A craft distillery or licensed distillery may not sell any factory-sealed individual containers of spirits except in face-to-face sales transactions with consumers who are making a purchase of two or fewer individual containers, that comply with the container limits in s. 565.10, per calendar year for the consumer's personal use and not for resale and who are present at the distillery's licensed premises in this state.

- 1. A craft distillery must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(a). Any retail sales to consumers at the craft distillery's licensed premises are prohibited beginning the day after it reaches the production limitation.
- 2. A craft distillery may not only ship or, arrange to ship, or deliver any of its distilled spirits to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distiller licensed under this section may ship, arrange to ship, or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, and exporters.
- 3. Except as provided in subparagraph 4., it is unlawful to transfer a distillery license for a distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership

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interest in any distillery licensed in this state; another state, territory, or country; or by the United States government to manufacture, blend, or rectify distilled spirits for beverage purposes.

- 4. A craft distillery shall not have its ownership affiliated with another distillery, unless such distillery produces 75,000 or fewer gallons per calendar year of distilled spirits on of its premises.
- (6) Upon the request of a craft distillery licensed in this state, the Department of Transportation shall install directional signs for the craft distillery on the rights-of-way of interstate highways and primary and secondary roads in accordance with Florida's Highway Guide Sign Program as provided in chapter 14-51, Florida Administrative Code. A craft distillery licensed in this state that requests placement of a directional sign through the department's permit process shall pay all associated costs.

Section 6. Section 565.04, Florida Statutes, is amended to read:

- 565.04 Package store regulations and fees restrictions.-
- (1) The term "liquor package store," as used in this section, means any vendor licensed under s. 565.02(1)(a).
- (2) The division is authorized to issue a liquor package store license to as follows:
- (a) A Type A liquor package store license may be issued to a vendor with premises that has no openings permitting direct

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access to any other building or room, except to a private office or storage room of the place of business from which patrons are excluded. Such liquor package stores Vendors licensed under s. 565.02(1)(a) shall not in the licensed premises said place of business sell, offer, or expose for sale any merchandise other than such beverages, and such liquor package stores places of business shall be devoted exclusively to such sales; provided, however, that such vendors shall be permitted to sell bitters, grenadine, nonalcoholic mixer-type beverages (not to include fruit juices produced outside this state), fruit juices produced in this state, home bar, and party supplies and equipment (including but not limited to glassware and party-type foods), miniatures of no alcoholic content, and tobacco products. Such places of business shall have no openings permitting direct access to any other building or room, except to a private office or storage room of the place of business from which patrons are excluded.

- (b) A Type B liquor package store license may be issued to a vendor that is permitted to sell, offer, or expose for sale non-alcoholic merchandise and is not subject to limitation on access to any other attached building or room, subject to the following conditions:
- 1. The liquor package store shall have a separate area in which distilled spirits are sold, offered, or exposed for sale separate from all other non-alcoholic merchandise except alcoholic mixer-type beverages intended for sale to patrons.

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The licensed premises shall include the entire place of business, including the separate area in which distilled spirits are sold, offered, or exposed for sale. The separate area shall be included in any sketch provided with the application for licensure and shall be approved by the division prior to the license being issued.

- 2. The separate area must have one entry-exit opening or doorway through which the patrons may travel in order to gain access to or to exit the separate area. The entry-exit must pass directly by a cashier and be physically monitored at all times by an employee either using electronic video monitoring cameras or positioned physically within the line of sight of the separate area's entry-exit.
- 3. The separate area may consist of three walls, three shelves that are completely enclosed from the back and sides to prevent access to distilled spirits by patrons not physically inside the separate area, or any combination of walls and shelves which ensures the separate area is completely enclosed from the back and side to prevent unintended access. Patrons must not have access to distilled spirits from outside of the separate area. The fourth side of the separate area shall consist of the entry-exit and checkout station between the separate area and the remainder of the vendor's licensed premises.
- 4. The manner in which the distilled spirits are sold, offered, or exposed for sale in the separate area must ensure

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that p	patr	ons	cannot	acces	s the	p	roduct	wit	thout	entering	the
separa	ate	area	within	the	line	of	sight	of	the	employee.	

- 5. Checkout stations in the licensed premises shall be included in the separate area as well as elsewhere in the licensed premises, and shall be included on the licensed premises sketch. The sale of any distilled spirits must be completed at a checkout station located in the separate area. The distilled spirits may not be carried outside of the separate area through the remainder of the licensed premises prior to purchase or paid for at any other checkout station outside of the separate area on the licensed premises. Any distilled spirits purchased in the separate area must be packaged upon sale in a manner that indicates it was paid for prior to the patron leaving the separate area.
- 6. Patrons may purchase any merchandise from elsewhere within the licensed premises at the checkout station in the separate area.
- 7. Any liquor package store that meets the requirements of this section shall not be prohibited from having distilled spirits stored or transported in any area of the licensed premises where such beverages are secured.
- 8. During any period of time that distilled spirits may not be sold pursuant to a statute, or local or municipal ordinance, the liquor package store shall close off or otherwise make the separate area inaccessible to patrons.

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	9. Th	ne emp	loyme	ent ex	xception	in	s.	562.1	3 (2) (c	c) sha	all a	apply
to an	ny pla	ace of	busi	ness	selling	pre	esci	ription	n medi	catio	ons (	or
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disti	lled	spiri	ts di	rect	ly to an	у ра	atro	on.				

- (3) All liquor package stores shall:
- (a) Meet all of the standards in the state's Responsible

  Vendor Act related to reducing access of alcoholic beverages to

  persons under 21 years of age.
- (b) Prohibit sales of distilled spirits beverages from any type of patron self-checkout station.
- (c) Verify the age of all patrons before completing any sale of alcoholic beverages.
- (d) Ensure the sale of any distilled spirits at a checkout station is completed by a cashier or other employee 21 years of age or older. No person under 21 years of age shall sell any distilled spirits directly to any patron in any liquor package store.
- (4) Any licensee may change its liquor package store's licensed premises diagram by filing an amended sketch or permanent extension application with the division and approval by the division of such premises modifications.
- (5) A Type A liquor package store license shall pay an annual license fee pursuant to s. 565.02. A Type B liquor package store license shall pay a fee equal to the sum of the

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431	annual	lio	cense	fee	pursuant	to	s.	565.02	and	an	additional
432	amount	as	follo	ows:							

- (a) Vendors operating places of business in counties having a population of over 100,000, according to the latest population estimate prepared pursuant to s. 186.901, for such county, shall pay \$392 in addition to the annual license fee.
- (b) Vendors operating places of business in counties having a population of over 75,000 and not over 100,000, according to the latest population estimate prepared pursuant to s. 186.901, for such county, shall pay \$336 in addition to the annual license fee.
- (c) Vendors operating places of business in counties having a population of over 50,000 and less than 75,000, according to the latest population estimate prepared pursuant to s. 186.901, for such county, shall pay \$280 in addition to the annual license fee.
- (d) Vendors operating places of business in counties having a population of over 25,000 and less than 50,000, according to the latest population estimate prepared pursuant to s. 186.901, for such county, shall pay \$224 in addition to the annual license fee.
- (e) Vendors operating places of business in counties having a population of less than 25,000, according to the latest population estimate prepared pursuant to s. 186.901, for such county, shall pay \$168 in addition to the annual license fee.

  Section 7. This act shall take effect July 1, 2015.

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specifically authorized types of merchandise and removing

restrictions on direct access to such a vendor's place of

beverage tasting; providing requirements and limitations; amending s. 565.02, F.S.; clarifying the calculation of excise taxes on cruise ships; creating an alcoholic beverages license for museums; amending s. 565.03, F.S.; revising the definition of the term "distillery"; deleting restrictions on the sale of individual containers to consumers in a face-to-face transaction; requiring the Department of Transportation to install certain directional signs at specified locations upon the request of a craft distillery licensed in this state; requiring the requesting craft distillery to pay 15 specified costs; amending s. 565.04, F.S.; allowing the sale by certain licensed alcoholic beverage vendors of merchandise other than

TITLE AMENDMENT

Remove everything before the enacting clause and insert:

A bill to be entitled

F.S.; deleting a prohibition against certain entities conducting

An act relating to alcoholic beverages; amending s. 561.42,

tastings; revising requirements for promotional displays and

advertising; amending s. 562.111, F.S.; conforming provisions;

creating s. 563.09, F.S.; authorizing a licensed manufacturer,

distributor, or importer of malt beverages to conduct a malt

# COMMITTEE/SUBCOMMITTEE AMENDMENT Bill No. CS/CS/HB 107 (2015)

Amendment No. 2

business upon payment of an additional license fee; providing an effective date.

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