

**By** the Committees on Commerce and Tourism; and Regulated Industries; and Senator Hays

577-03103-15

2015596c2

1                                   A bill to be entitled  
2       An act relating to craft distilleries; amending s.  
3       565.03, F.S.; defining the term "branded product";  
4       revising the current limitation on the number of  
5       containers that may be sold to consumers by craft  
6       distilleries; applying such limitation to individual  
7       containers for each branded product; prohibiting a  
8       craft distillery from shipping or arranging to ship  
9       any of its distilled spirits to consumers; providing  
10      an exception; requiring the Department of  
11      Transportation to install directional signs at  
12      specified locations in accordance with Florida's  
13      Highway Guide Sign Program upon the request of a craft  
14      distillery licensed in this state; requiring the craft  
15      distillery licensed in this state to pay specified  
16      costs; providing an effective date.

17  
18 Be It Enacted by the Legislature of the State of Florida:

19  
20       Section 1. Paragraphs (a) and (b) of subsection (1) of  
21      section 565.03, Florida Statutes, are redesignated as paragraphs  
22      (b) and (c), respectively, a new paragraph (a) is added to that  
23      subsection, subsection (6) of that section is redesignated as  
24      subsection (7), a new subsection (6) is added to that section,  
25      and paragraph (c) of subsection (2) of that section is amended,  
26      to read:

27       565.03 License fees; manufacturers, distributors, brokers,  
28      sales agents, and importers of alcoholic beverages; vendor  
29      licenses and fees; craft distilleries.-

577-03103-15

2015596c2

30 (1) As used in this section, the term:

31 (a) "Branded product" means any distilled spirits product  
32 manufactured on site, which requires a federal certificate and  
33 label approval by the Federal Alcohol Administration Act or  
34 regulations.

35 (2)

36 (c) A craft distillery licensed under this section may sell  
37 to consumers, at its souvenir gift shop, branded products  
38 ~~spirits~~ distilled on its premises in this state in factory-  
39 sealed containers that are filled at the distillery for off-  
40 premises consumption. Such sales are authorized only on private  
41 property contiguous to the licensed distillery premises in this  
42 state and included on the sketch or diagram defining the  
43 licensed premises submitted with the distillery's license  
44 application. All sketch or diagram revisions by the distillery  
45 shall require the division's approval verifying that the  
46 souvenir gift shop location operated by the licensed distillery  
47 is owned or leased by the distillery and on property contiguous  
48 to the distillery's production building in this state. A craft  
49 distillery ~~or licensed distillery~~ may not sell any factory-  
50 sealed individual containers of spirits except in face-to-face  
51 sales transactions with consumers who are making a purchase of  
52 two or fewer individual containers of each branded product, or  
53 up to four individual containers, whichever is greater, that  
54 comply with the container limits in s. 565.10, per calendar year  
55 for the consumer's personal use and not for resale and who are  
56 present at the distillery's licensed premises in this state.

57 1. A craft distillery must report to the division within 5  
58 days after it reaches the production limitations provided in

577-03103-15

2015596c2

59 paragraph (1)(b) ~~(1)(a)~~. Any retail sales to consumers at the  
60 craft distillery's licensed premises are prohibited beginning  
61 the day after it reaches the production limitation.

62 2. A craft distillery may not ~~only~~ ship or ~~arrange to~~  
63 ship, ~~or deliver~~ any of its distilled spirits to consumers and  
64 may only sell and deliver to consumers within the state in a  
65 face-to-face transaction at the distillery property. However, a  
66 craft distiller licensed under this section may ship, arrange to  
67 ship, or deliver such spirits to manufacturers of distilled  
68 spirits, wholesale distributors of distilled spirits, state or  
69 federal bonded warehouses, and exporters.

70 3. Except as provided in subparagraph 4., it is unlawful to  
71 transfer a distillery license for a distillery that produces  
72 75,000 or fewer gallons per calendar year of distilled spirits  
73 on its premises or any ownership interest in such license to an  
74 individual or entity that has a direct or indirect ownership  
75 interest in any distillery licensed in this state; another  
76 state, territory, or country; or by the United States government  
77 to manufacture, blend, or rectify distilled spirits for beverage  
78 purposes.

79 4. A craft distillery shall not have its ownership  
80 affiliated with another distillery, unless such distillery  
81 produces 75,000 or fewer gallons per calendar year of distilled  
82 spirits on each of its premises in this state or in another  
83 state, territory, or country.

84 (6) Upon the request of a craft distillery licensed in this  
85 state, the Department of Transportation shall install  
86 directional signs for the craft distillery on the rights-of-way  
87 of interstate highways and primary and secondary roads in

577-03103-15

2015596c2

88 accordance with Florida's Highway Guide Sign Program, Rule 14-  
89 51, Florida Administrative Code. A craft distillery licensed in  
90 this state which requests placement of a directional sign  
91 through the department's permit process shall pay all associated  
92 costs.

93 Section 2. This act shall take effect July 1, 2015.