House



LEGISLATIVE ACTION .

Senate Floor: WD 05/05/2017 03:46 PM

Senator Hutson moved the following:

1 Senate Amendment to House Amendment (360349) (with title amendment) 3 4 Delete lines 5 - 130 5 and insert: 6 Section 1. Section 561.14, Florida Statutes, is amended to 7 read: 561.14 License and registration classification.-Licenses 9 and registrations referred to in the Beverage Law shall be 10 classified as follows: 11 (1) Manufacturers licensed to manufacture alcoholic

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beverages and distribute the same at wholesale to licensed distributors and to no one else within the state, unless authorized by statute. Persons engaged in the business of distilling, rectifying, or blending spirituous liquors licensed under s. 565.03(2) shall sell and distribute such beverages at wholesale only to other manufacturers and to licensed distributors and to no one else within this state.

19 (2) Distributors licensed to sell and distribute alcoholic
20 beverages at wholesale to persons who are licensed to sell
21 alcoholic beverages.

22 (3) Vendors licensed to sell alcoholic beverages at retail 23 only. No vendor shall purchase or acquire in any manner for the 24 purpose of resale any alcoholic beverages from any person not 25 licensed as a vendor, manufacturer, bottler, or distributor 26 under the Beverage Law. Purchases of alcoholic beverages by 27 vendors from vendors shall be strictly limited to purchases 28 between members of a pool buying group for which the initial 29 purchase of the alcoholic beverages was ordered by a pool buying 30 agent as a single transaction. No vendor shall be a member of 31 more than one cooperative or pool buying group at any time. No 32 vendor shall import, or engage in the importation of, any 33 alcoholic beverages from places beyond the limits of the state.

(4) Brokers or sales agents, whether resident or
nonresident, licensed to sell, or to cause to be sold, shipped,
and invoiced, alcoholic beverages to licensed manufacturers or
licensed distributors, and to no one else, in this state. Such
licensed brokers or sales agents, except as relates to malt
beverages, only shall represent one or more primary American
sources of supply, registered as such with the division, and may

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41 be compensated on a commission or remuneration basis and shall 42 have no direct or indirect affiliation with any vendor licensed 43 in this state. This license classification does not include 44 manufacturers' representatives who are registered with the 45 division under the provisions of ss. 564.045(1) and (2) and 46 565.095(1) and (2).

47 (5) Importers, whether resident or nonresident, licensed to sell, or to cause to be sold, shipped, and invoiced, alcoholic 48 49 beverages to licensed manufacturers or licensed distributors, 50 and to no one else, in this state; provided that the provisions of ss. 564.045 and 565.095 are in no way violated by such 51 52 imports. Such licensed importers shall have no direct or 53 indirect affiliation with any vendor licensed in this state. The 54 holder of an importer's license shall be considered as having 55 complied with the licensing requirements of a broker or sales 56 agent. This license classification does not include 57 manufacturers' representatives who are registered with the 58 division under the provisions of ss. 564.045(1) and (2) and 59 565.095(1) and (2).

60 (6) Bottle clubs. It is the finding of the Legislature that 61 bottle clubs are susceptible to a distinct and separate 62 classification under the Beverage Law for purposes of regulating 63 establishments permitting the consumption of alcoholic 64 beverages. Any person operating a bottle club must be licensed 65 pursuant to this chapter and may not hold any other alcoholic 66 beverage license for such premises while licensed as a bottle 67 club. Nothing in this subsection shall be construed to permit the purchase at wholesale or retail of alcoholic beverages for 68 69 supplying or reselling to the patrons pursuant to a license

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70 issued under this chapter. Any such business shall be subject to 71 all general, special, and local laws regulating vendors of 72 alcoholic beverages. Bottle club licenses shall be issued at a 73 fee of \$500 annually and shall be renewed in accordance with the 74 schedule set out in ss. 561.26 and 561.27. This subsection shall 75 include bottle clubs in existence on January 1, 1991. The 76 Division of Alcoholic Beverages and Tobacco is hereby authorized 77 to adopt rules to carry out the purposes of this section. (7) Exporters registered to sell alcoholic beverages. 78 79 Section 2. Section 561.221, Florida Statutes, is repealed. 80 Section 3. Section 561.24, Florida Statutes, is amended to 81 read: 82 561.24 Licensing manufacturers as distributors or 83 registered exporters prohibited; procedure for issuance and 84 renewal of distributors' licenses and exporters' registrations.-85 (1) A manufacturer, rectifier, or distiller that manufactures, rectifies, or distills spirituous liquors or wine 86 87 may not be granted a license as a distributor and may not 88 register as an exporter. 89 (2) A manufacturer, rectifier, or distiller that manufactures, rectifies, or distills spirituous liquors or wine 90 91 may not be granted a renewal of a license or registration 92 previously held as a distributor or exporter. (3) If the applicant for a distributor's license or 93 94 exporter's registration, or renewal thereof, is an individual or 95 copartnership, such individual or copartnership is within the provisions of subsection (1) or subsection (2), as the case may 96 97 be, if the individual or any member of the copartnership is 98 interested or connected, directly or indirectly, with any

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99 corporation which is engaged directly or indirectly or through 100 any subsidiary or affiliate corporation, including any stock 101 ownership as set forth in subsection (4), in manufacturing, 102 rectifying, or distilling spirituous liquors or wine. If any 103 individual or any member of such copartnership within 6 months 104 next preceding the making of an application hereunder has been 105 interested or connected as provided by this subsection, such 106 individual or such member of the copartnership shall be prima 107 facie presumed to be so interested or connected with such 108 corporation at the time of the making of the application, and 109 such prima facie presumption shall continue until overcome by 110 the applicant.

111 (4) If the applicant for a distributor's license or 112 exporter's registration, or for the renewal thereof, is a 113 corporation, such corporation is within the provisions of subsections (1) and (2), as the case may be, if such corporation 114 115 is affiliated with, directly or indirectly, any other 116 corporation which is engaged in manufacturing, rectifying, or 117 distilling spirituous liquors or wine or if such applicant corporation is controlled by, or the majority of stock therein 118 119 is owned by, another corporation, which latter corporation is 120 engaged, directly or indirectly, in manufacturing, rectifying, 121 or distilling spirituous liquors or wine.

122 (5) Notwithstanding any of the provisions of the foregoing 123 subsections, any corporation which holds a license as a 124 distributor on June 3, 1947, shall be entitled to a renewal 125 thereof, provided such corporation complies with all of the 126 provisions of the Beverage Law of Florida, as amended, and of 127 this section and establishes by satisfactory evidence to the

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128 division that, during the 6-month period next preceding its 129 application for such renewal, of the total volume of its sales 130 of spirituous liquors, in either dollars or quantity, not more 131 than 40 percent of such spirituous liquors sold by it, in either 132 dollars or quantity, were manufactured, rectified, or distilled 133 by any corporation with which the applicant is affiliated, 134 directly or indirectly, including any corporation which owns or 135 controls in any way any stock in the applicant corporation or any corporation which is a subsidiary or affiliate of the 136 137 corporation so owning stock in the applicant corporation. Any 138 manufacturer of wine holding a license as a distributor on the 139 effective date of this act shall be entitled to a renewal of 140 such license notwithstanding the provisions of subsections (1)-141 (5). This section does not apply to any winery qualifying as a 142 certified Florida Farm Winery under s. 599.004.

143 (1) (6) Any person, copartnership, or corporation applying for a distributor's license under the provisions of this section 144 145 shall file a written or printed application therefor with the 146 division. Such application shall be sworn to by the applicant or 147 a member of the copartnership or an officer of the corporation, 148 depending upon whether the applicant is an individual, copartnership, or corporation. Forms for such applications shall 149 150 be provided by the division. Every such application shall set 151 forth clear and detailed information necessary and sufficient to 152 establish the right of the applicant under the provisions of this section to receive a license. The information herein 153 154 required to be set forth shall be in addition to any information 155 required to be set forth by any other provision of applicable 156 law. Any application failing to comply fully with the provisions

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157 of this section shall be denied.

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158 (2) (7) No license of any distributor shall be renewed if 159 the license of such distributor and continuations thereof have 160 been revoked or if the qualifications of such distributor have 161 been impaired.

(3) (8) Any maneuver, shift, or device by any applicant whereby any provision of this section, in any manner, is sought to be avoided or evaded constitutes a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Section 4. Section 561.42, Florida Statutes, is repealed. Section 5. Paragraph (a) of subsection (2) of section 561.32, Florida Statutes, is amended to read:

561.32 Transfer of licenses; change of officers or directors; transfer of interest.-

(2) (a) No person is entitled as a matter of right to a transfer of a license or interest in a license to a relative or 173 to any other person or to a change of executive officers or directors:

176 1. If the division has notified the licensee in writing 177 that a revocation, suspension, or administrative proceeding or a 178 proceeding under s. 561.42 has been or will be brought against 179 the license; or

2. If a licensee, executive officer, director, or person 180 181 holding an interest in the license or business has been 182 arrested, charged, indicted, or convicted, or has appealed the 183 conviction, of a crime which is disqualifying under the 184 alcoholic beverage laws. Any licensee, executive officer, 185 director, or person holding an interest in a license or business

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186 who is arrested, charged, indicted, or convicted, or has 187 appealed the conviction, of a crime which is disqualifying under 188 the alcoholic beverage laws is required to immediately notify 189 the division in writing of such action.

191 It is unlawful to transfer or attempt to transfer any license or 192 interest in a license or business or change executive officers 193 or directors contrary to the provisions of this section.

194 Section 6. Section 561.423, Florida Statutes, is amended to 195 read:

561.423 Beer and malt beverages; in-store servicing 196 197 authorized.-No Nothing in s. 561.42 or any other provision of 198 the Beverage Law shall prohibit a distributor of beer or malt 199 beverages from providing in-store servicing of beer or malt 200 beverages. "In-store servicing" as used herein means quality 201 control procedures which include, but are not limited to: 202 rotation of malt beverages on the vendor's shelves, rotation and 203 placing of malt beverages in vendor's coolers, proper stacking 204 and maintenance of appearance and display of malt beverages on 205 vendor's shelves, price-stamping of malt beverages in vendor's 206 licensed premises, and moving or resetting any product or 207 display in order to display a distributor's own product when 208 authorized by the vendor.

209 Section 7. Subsection (2) of section 561.424, Florida 210 Statutes, is amended to read:

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561.424 Vinous beverages; in-store servicing authorized.-

(2) <u>No</u> Nothing in s. 561.42 or any other provision of the
alcoholic beverage law shall prohibit a distributor of wine from
providing in-store servicing of wine sold by such distributor to

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215 a vendor. "In-store servicing" as used herein means: placing the 216 wine on the vendor's shelves and maintaining the appearance and display of said wine on the vendor's shelves in the vendor's 217 218 licensed premises; placing the wine not so shelved or displayed 219 in a storage area designated by the vendor, which is located in 220 the vendor's licensed premises; rotation of vinous beverages; 221 and price stamping of vinous beverages in vendor's licensed 222 premises. This section shall not apply to distilled spirits.

Section 8. Subsection (1) of section 561.5101, Florida Statutes, is amended to read:

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

226 (1) For purposes of inspection and tax-revenue control, all 227 malt beverages, except those manufactured and sold by the same 228 licensee, pursuant to s. 561.221(2) or (3), must come to rest at 229 the licensed premises of an alcoholic beverage wholesaler in 230 this state before being sold to a vendor by the wholesaler. The 231 prohibition contained in this subsection does not apply to the 232 shipment of malt beverages commonly known as private labels. The 233 prohibition contained in this subsection shall not prevent a 234 manufacturer from shipping malt beverages for storage at a 235 bonded warehouse facility, provided that such malt beverages are 236 distributed as provided in this subsection or to an out-of-state 237 entity.

238 Section 9. Subsection (2) of section 563.02, Florida 239 Statutes, is amended to read:

240 563.02 License fees; vendors; manufacturers and 241 distributors.-

242 (2) Each manufacturer engaged in the business of brewing243 only malt beverages shall pay an annual state license tax of

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\$3,000 for each plant or branch he or she may operate. However, each manufacturer engaged in the business of brewing less than 10,000 kegs of malt beverages annually for consumption on the premises pursuant to s. 561.221(3) shall pay an annual state license tax of \$500 for each plant or branch.

Section 10. Paragraph (b) of subsection (14) of section 563.022, Florida Statutes, is amended to read:

563.022 Relations between beer distributors and manufacturers.-

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(14) MANUFACTURER; PROHIBITED INTERESTS.-

(b) Except as provided in paragraph (c), no entity or person specified in paragraph (a) may have an interest in the license, business, assets, or corporate stock of a licensed distributor nor shall such entity sell directly to any vendor in this state other than to <u>licensed</u> vendors who are licensed pursuant to s. 561.221(2).

Section 11. Subsection (1) and paragraph (a) of subsection (7) of section 563.06, Florida Statutes, is amended to read: 563.06 Malt beverages; imprint on individual container; size of containers; exemptions.-

264 (1) All taxable malt beverages packaged in individual 265 containers possessed by any person in the state for the purpose 266 of sale or resale in the state, except operators of railroads, 2.67 sleeping cars, steamships, buses, and airplanes engaged in 268 interstate commerce and licensed under this section, shall have 269 imprinted thereon in clearly legible fashion by any permanent 270 method the word "Florida" or "FL" and no other state name or 271 abbreviation of any state name in not less than 8-point type. 272 The word "Florida" or "FL" shall appear first or last, if

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273 imprinted in conjunction with any manufacturer's code. A 274 facsimile of the imprinting and its location as it will appear 275 on the individual container shall be submitted to the division 276 for approval.

(7) Notwithstanding any other provision of the Beverage Law, a malt beverage may be packaged in a growler, which is an individual container that holds 32, 64, or 128 ounces of such malt beverage if it is filled at the point of sale.

(a) A growler may be filled or refilled by any of the following:

1. A licensed manufacturer of malt beverages holding a vendor's license under s. 561.221(2).

2. A vendor holding a quota license under s. 561.20(1) or s. 565.02(1)(a) which authorizes the sale of malt beverages.

3. A vendor holding a license under s. 563.02(1)(b)-(f), s. 564.02(1)(b)-(f), or s. 565.02(1)(b)-(f), unless such license restricts the sale of malt beverages to sale for consumption only on the premises of such vendor.

4. A vendor holding a license pursuant to s. 563.02(1)(a) or s. 564.02(1)(a), having held that license in current, active status on June 30, 2015, subject to the following requirements:

a. The vendor proves, to the satisfaction of the division, that the vendor had draft equipment and tapping accessories 296 installed and had purchased kegs before June 30, 2015.

297 b. The growlers are filled or refilled by the vendor or the 298 vendor's employee aged 18 or older.

299 c. The taps or mechanisms used to fill or refill the 300 growlers are not accessible to customers.

d. The growlers meet the labeling and sealing requirements

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302 of paragraph (b).

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303 e. The vendor does not permit consumption on premises, 304 including tastings or other sampling activities.

Section 12. Section 563.13, Florida Statutes, is amended to read:

307 563.13 Florida brewery directional signs; fees.-Upon the request of a licensed brewery licensed under s. 561.221(2) or 308 309 (3) which produces a minimum of 2,500 barrels per year on the 310 premises, is open to the public at least 30 hours per week, and 311 is available for tours, the Department of Transportation shall 312 install directional signs for the brewery on the rights-of-way 313 of interstate highways and primary and secondary roads in 314 accordance with Florida's Highway Guide Sign Program as provided 315 in chapter 14-51, Florida Administrative Code. A brewery 316 licensed in this state which requests placement of a directional 317 sign through the department's permit process shall pay all 318 associated costs.

Section 13. Section 564.07, Florida Statutes, is amended to read:

321 564.07 Wine lists furnished to vendors.-A distributor of 322 vinous beverages in this state may furnish, give, rent, loan, or 323 sell to a vendor, and a vendor may accept, alcoholic beverage lists, commonly referred to as "wine lists," without the same 325 being a violation of s. 561.42(1).

326 Section 14. Section 564.08, Florida Statutes, is amended to 327 read:

328 564.08 Wine tastings by distributors and vendors.-A 329 licensed distributor of vinous beverages, or any vendor, is 330 authorized to conduct wine tastings upon any licensed premises

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331 authorized to sell vinous or spirituous beverages by package or 332 for consumption on premises without being in violation of s. 333 561.42, provided that the conduct of the wine tasting shall be 334 limited to and directed toward the general public of the age of 335 legal consumption.

336 Section 15. Section 565.16, Florida Statutes, is amended to 337 read:

565.16 Beverage lists furnished to vendors.—A distributor of spirituous beverages in this state may furnish, give, rent, loan, or sell to a vendor, and a vendor may accept, alcoholic beverage lists, otherwise referred to as "wine lists₇" without the same being a violation of s. 561.42(1).

343 Section 16. Section 565.17, Florida Statutes, is amended to 344 read:

345 565.17 Beverage tastings by distributors and vendors.-A licensed distributor of spirituous beverages, or any vendor, is 346 347 authorized to conduct spirituous beverage tastings upon any 348 licensed premises authorized to sell spirituous beverages by 349 package or for consumption on premises without being in 350 violation of s. 561.42, provided that the conduct of the 351 spirituous beverage tasting shall be limited to and directed toward the general public of the age of legal consumption. 352

Section 17. This act shall take effect July 1, 2017.

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360 561.14, F.S.; revising classifications for licenses 361 and registrations referred to in the Beverage Law for 362 certain manufacturers licensed to manufacture 363 alcoholic beverages and distribute the same at 364 wholesale, distributors licensed to sell and 365 distribute alcoholic beverages at wholesale, and 366 vendors licensed to sell alcoholic beverages at retail 367 only; deleting a requirement that certain licensed 368 importers shall have no direct or indirect affiliation 369 with any vendor licensed in this state; repealing s. 370 561.221, F.S., relating to licensing of manufacturers 371 and distributors as vendors and of vendors as 372 manufacturers; amending s. 561.24, F.S.; deleting 373 prohibitions specifying that a manufacturer, 374 rectifier, or distiller that manufactures, rectifies, 375 or distills spirituous liquors or wine may not be 376 granted a license as a distributor, may not register as an exporter, and may not be granted a renewal of a 377 378 license or registration previously held as a 379 distributor or exporter; conforming provisions to 380 changes made by the act; repealing s. 561.42, F.S., 381 relating to tied house evil; financial aid and 382 assistance to vendor by manufacturer, distributor, 383 importer, primary American source of supply, brand 384 owner or registrant, or any broker, sales agent, or 385 sales person thereof; amending ss. 561.32, 561.423, 386 561.424, 561.5101, 563.02, 563.022, 563.06, 563.13, 387 564.07, 564.08, 565.16, 565.17, F.S.; conforming 388 provisions to changes made by the act; providing an

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effective date.