1	A bill to be entitled
2	An act relating to craft distilleries; amending s.
3	565.02, F.S.; defining the term "destination
4	entertainment venue"; authorizing craft distilleries
5	to be licensed as specified vendors under certain
6	circumstances; providing requirements for such
7	licenses; providing requirements for craft
8	distilleries for such licenses; prohibiting a licensee
9	from taking certain actions; requiring certain
10	alcoholic beverages to be obtained through a licensed
11	distributor; amending s. 565.03, F.S.; redefining the
12	terms "branded product" and "craft distillery";
13	prohibiting a distillery from operating as a craft
14	distillery until certain requirements are met;
15	authorizing persons to have common ownership in craft
16	distilleries under certain circumstances; defining the
17	term "common ownership"; requiring a minimum
18	percentage of a craft distillery's total finished
19	branded products to be distilled in this state and
20	contain one or more Florida agricultural products
21	after a specified date; revising the requirements and
22	prohibitions on the sale of branded products to
23	consumers by a licensed craft distillery; revising the
24	circumstances for which a craft distillery must report
25	certain information about the production of distilled

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others.-

spirits to the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation; revising prohibitions on the shipment of certain products by a craft distillery; revising prohibitions on the transfer of a craft distillery license or ownership interest in such license; revising prohibitions relating to affiliated ownership of craft distilleries; authorizing a craft distillery to transfer specified distilled spirits from certain locations to its souvenir gift shop and tasting room; making technical changes; amending s. 565.17, F.S.; authorizing craft distilleries to conduct spirituous beverage tastings under certain circumstances; requiring the division to issue permits to craft distilleries to conduct tastings and sales at certain locations; specifying requirements for distilleries for such permits; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Present subsection (12) of section 565.02, Florida Statutes, is redesignated as subsection (13), and a new subsection (12) is added to that section, to read: 565.02 License fees; vendors; clubs; caterers; and

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(12) (a) As used in this subsection, the term "destination 51 52 entertainment venue" means a venue that: 53 1. Is located in a designated community redevelopment area 54 authorized under an adopted community redevelopment plan to 55 support urban redevelopment and economic development; 56 2. Is owned by any person licensed as a craft distillery 57 located within the destination entertainment venue; 58 3. Is adjacent to and served by multimodal transportation 59 options, including, at a minimum, bicycle and pedestrian trails 60 included on an adopted city or county trails map and mass transit routes established by a city, county, or regional 61 62 transportation authority; and 4. Is located within a contiguous area of at least 15 63 64 acres, including associated parking and stormwater requirements 65 as required by local law, regulation, or ordinance, and that 66 contains: 67 a. At least one indoor event venue with a minimum capacity 68 of 150 people which is fully serviced by a connected onsite 69 kitchen; 70 b. At least one outdoor event venue with a minimum 71 capacity of 1,000 people which has regularly occurring live 72 entertainment on a stage that is at least 12 feet deep and 16 73 feet wide; and 74 c. One or more licensed craft distilleries sharing 75 identical ownership.

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76	(b) Notwithstanding any other provisions of the Beverage
77	Law, upon the payment of the appropriate fees, a craft
78	distillery licensed in this state may be licensed as a vendor
79	only for consumption on the premises of alcoholic beverages
80	manufactured by other manufacturers and acquired through a
81	distributor. The issuance of a license under this paragraph is
82	not subject to any quota or limitation, except that the craft
83	distillery must be:
84	1. Located on property within a destination entertainment
85	venue; and
86	2. In operation and open for tours during normal business
87	hours at least 5 days a week.
88	(c) The vendor license may be issued only for the premises
89	included on the licensed premises sketch on file with the
90	division under s. 565.03 for the craft distillery, including its
91	souvenir gift shop or tasting room.
92	(d) No more than three craft distilleries may be licensed
93	as a vendor in a community redevelopment area under this
94	subsection. Craft distilleries licensed as a vendor under this
95	subsection must be located within the same destination
96	entertainment venue and must share identical ownership, and each
97	craft distillery must distill, blend, or rectify at least 50,000
98	gallons of branded products per calendar year.
99	(e) Except as otherwise provided in this paragraph, a
100	craft distillery licensed as a vendor under this subsection

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101	shall be treated as a vendor and is subject to all provisions
102	relating to such vendors licensed to sell alcoholic beverages
103	for consumption on premises. A craft distillery licensed as a
104	vendor may not make package sales for off-premises consumption
105	or make any delivery or shipment of alcoholic beverages away
106	from the destination entertainment venue or the craft
107	distillery, unless such shipment or delivery is authorized for a
108	craft distillery under s. 565.03.
109	(f) Alcoholic beverages manufactured by another licensed
110	manufacturer, including branded products manufactured at another
111	craft distillery location sharing identical ownership, must be
112	obtained through a licensed distributor.
113	Section 2. Paragraphs (a) and (b) of subsection (1) and
114	subsections (2) and (5) of section 565.03, Florida Statutes, are
115	amended to read:
116	565.03 License fees; manufacturers, distributors, brokers,
117	sales agents, and importers of alcoholic beverages; vendor
118	licenses and fees; distilleries and craft distilleries
119	(1) As used in this section, the term:
120	(a) "Branded product" means any distilled spirits product
121	that:
122	1. Is owned by a craft distillery;
123	2. Contains distilled spirits that are manufactured by
124	distilling, rectifying, or blending by the craft distillery on
125	its licensed premises; and

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126	3. Has manufactured on site, which requires a federal
127	certificate and label approval by the Federal Government Alcohol
128	Administration Act or federal regulations.
129	(b) "Craft distillery" means a licensed distillery in this
130	state which distills, rectifies, or blends 250,000 that produces
131	75,000 or fewer gallons or less of distilled spirits per
132	calendar year of distilled spirits on its premises and has
133	notified the division in writing of its decision to qualify as a
134	craft distillery.
135	(2)(a) A distillery may not operate as a craft distillery
136	until the distillery has provided to the division written
137	notification that it meets the criteria specified in paragraph
138	(1) (b). Upon the division's receipt of the notification and its
139	verification that the distillery meets all such criteria, the
140	division shall add the designation of craft distiller on the
141	distillery's license.
142	(b) A person may not share common ownership in more than
143	10 craft distilleries, provided that no more than:
144	1. Four of the distilleries each distill, rectify, or
145	blend 250,000 gallons or less of distilled spirits per calendar
146	year; and
147	2. Six of the distilleries each distill, rectify, or blend
147	
140	50,000 gallons or less of distilled spirits per calendar year.
	As used in this personal, the term "seemen supership" means
150	As used in this paragraph, the term "common ownership" means
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151 having a direct or indirect financial interest in two or more 152 distilleries by the same person. 153 (C) Effective July 1, 2026, a minimum of 60 percent of a 154 craft distillery's total finished branded products must be 155 distilled in this state and contain one or more Florida 156 agricultural products. 157 (d) A distillery or a craft distillery authorized to do 158 business under the Beverage Law shall pay an annual state license tax for each plant or branch operating in the state, as 159 160 follows: 1. A distillery engaged in the business of manufacturing 161 distilled spirits: \$4,000. 162 2. A craft distillery engaged in the business of 163 164 manufacturing distilled spirits: \$1,000. 165 A person engaged in the business of rectifying and 3. 166 blending spirituous liquors and nothing else: \$4,000. 167 (e) (b) A licensed distillery or licensed craft distillery may Persons licensed under this section who are in the business 168 169 of distilling spirituous liquors may also engage in the business 170 of rectifying or and blending spirituous liquors without the 171 payment of an additional license tax. 172 (f) (c) A craft distillery licensed under this section may sell directly to consumers up to 75,000 gallons per calendar 173 174 year of, at its souvenir gift shop, branded products that are manufactured by the craft distillery distilled on its premises. 175

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176 A craft distillery may sell branded products directly to 177 consumers by the drink for consumption on the premises or by the 178 package in factory-sealed containers for consumption off the 179 premises in this state in factory-sealed containers that are 180 filled at the distillery for off-premises consumption. Such 181 sales are authorized only in the craft distillery's souvenir 182 gift shop or tasting room located on private property contiguous 183 to the licensed distillery premises. Branded products sold to consumers must have been distilled, rectified, or blended on the 184 185 distillery premises that is located contiguous to the craft 186 distillery's souvenir gift shop or tasting room. The souvenir 187 gift shop or tasting room must be in this state and included on the sketch or diagram defining the licensed premises submitted 188 189 with the distillery's license application. All sketch or diagram 190 revisions by the distillery shall require the division's 191 approval verifying that the locations of the souvenir gift shops 192 and tasting rooms shop location operated by the licensed 193 distillery are is owned or leased by the distillery and on 194 property contiguous to the distillery's production building in 195 this state. 196 Except as authorized under s. 565.17(2), a craft 1. 197 distillery may not sell any factory-sealed individual containers of spirits to consumers except in face-to-face sales 198 199 transactions with such consumers at the craft distillery's 200 licensed premises. Such branded products must be in compliance

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201 with the container limits under s. 565.10 and be intended for 202 personal consumption rather than for resale who are making a 203 purchase of no more than six individual containers of each 204 branded product.

205 2. Each container sold in face-to-face transactions with 206 consumers must comply with the container limits in s. 565.10, 207 per calendar year for the consumer's personal use and not for 208 resale and who are present at the distillery's licensed premises 209 in this state.

A craft distillery must report to the division within 5 days after it <u>exceeds</u> reaches the production <u>limits or is no</u> <u>longer operating under the requirements or</u> limitations provided in paragraph (1)(b). Any retail sales <u>of branded products by the</u> <u>drink or by the package</u> to consumers at the craft distillery's licensed premises are prohibited beginning the day after it <u>exceeds</u> the production limitation.

217 3.4. A craft distillery may not ship or arrange to ship any of its branded products or any other alcoholic beverages 218 219 distilled spirits to consumers and may sell and deliver only to 220 consumers within the state in a face-to-face transaction at the 221 distillery property. However, a craft distillery distiller 222 licensed under this section may ship, arrange to ship, or deliver such spirits to any manufacturers of distilled spirits, 223 224 wholesale distributors of distilled spirits, state or federal bonded warehouses, or and exporters. 225

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226 4.5. Except as provided in subparagraph 5. subparagraph 227 6., it is unlawful to transfer a craft distillery license for a 228 distillery that produces 75,000 or fewer gallons per calendar 229 year of distilled spirits on its premises or any ownership 230 interest in such license to an individual or entity that has a 231 direct or indirect ownership interest in any distillery that distills, rectifies, or blends 250,000 gallons or more per 232 233 calendar year of distilled spirits under any license issued 234 licensed in this state; in another state, territory, or country; 235 or by the United States Government to distill manufacture, 236 blend, or rectify distilled spirits for beverage purposes. 237 5.6. Except as provided in paragraph (b), a craft 238 distillery may shall not have its ownership affiliated with 239 another distillery, unless such distillery is owned by an 240 individual or entity that distills, rectifies, or blends 250,000 241 gallons or less per calendar year of distilled spirits produces 242 75,000 or fewer gallons per calendar year of distilled spirits 243 on each of its premises in this state or in another state, 244 territory, or country. 245 6. A craft distillery may transfer up to 75,000 gallons 246 per calendar year of its branded products that it distills, 247 rectifies, or blends from its federal bonded space, nonbonded space at its licensed premises, or storage areas to its souvenir 248 249 gift shop and tasting room. 250 (5) A craft distillery making sales under paragraph (2)(f)

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251 paragraph (2)(c) is responsible for submitting any excise taxes 252 <u>due to the state on distilled spirits</u> on beverages under the 253 Beverage Law <u>with</u> in its monthly report to the division with any 254 <u>tax payments due to the state</u>.

255 Section 3. Section 565.17, Florida Statutes, is amended to 256 read:

257 565.17 Beverage tastings by distributors, craft
258 distilleries, and vendors.-

259 A licensed distributor of spirituous beverages, a (1) 260 craft distillery as defined in s. 565.03, or any vendor τ is 261 authorized to conduct spirituous beverage tastings upon any 262 licensed premises authorized to sell spirituous beverages by package or for consumption on premises without being in 263 violation of s. 561.42, provided that the conduct of the 264 265 spirituous beverage tasting shall be limited to and directed 266 toward the general public of the age of legal consumption.

267 (2) Craft distilleries may conduct tastings and sales of distilled spirits produced by the craft distilleries at Florida 268 269 fairs, trade shows, farmers markets, expositions, and festivals. 270 The division shall issue permits to craft distilleries for such tastings and sales. A craft distillery must pay all entry fees 271 272 and must have a distillery representative present during the 273 event. The permit is limited to the duration and physical 274 location of the event. Section 4. This act shall take effect July 1, 2021. 275

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