

By Senator Truenow

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A bill to be entitled
An act relating to craft brewing; amending s. 561.221, F.S.; authorizing a licensed craft brewery to conduct tastings and sales of malt beverages at certain events; requiring the Division of Alcoholic Beverages and Tobacco to issue permits for such tastings and sales to such craft breweries; requiring such craft breweries to pay all entry fees and have a representative present at such events; providing that the permit is valid only for the duration and physical location of the event; amending s. 561.37, F.S.; deleting a requirement that manufacturers and brewers file a surety bond with the division; amending s. 563.02, F.S.; revising a requirement for certain manufacturers to pay a specified license tax; creating s. 563.042, F.S.; defining terms; authorizing contract brewers to transfer malt beverages to contracting brewers' facilities up to a specified amount; authorizing a contract brewer to contract with one or more contracting brewers for a specified purpose; providing that the contract brewer is responsible for complying with federal and state law and for paying all federal and state taxes; providing that title to the malt beverages remains with the contract brewer until the malt beverages are removed from the contract brewer's licensed premises; requiring contract brewers and contracting brewers to maintain certain records required by the division; requiring licensed manufacturers that wish to engage in contract brewing

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to notify the division of their intent on forms provided by the division; requiring such licensed manufacturers to make a full and complete monthly report to the division by a certain date; specifying the information a contract brewer and a contracting brewer must include in such reports; requiring such licensed manufacturers to maintain all records required by the Beverage Law; requiring that an entity seeking to become a host brewer or a guest brewer for alternating proprietorship brewing first qualify as a brewer with the National Revenue Center; requiring such entities to submit a form to the division containing specified information; requiring that a contracting brewer's malt beverages be separate and identifiable from the beer of all other tenants at the contract brewer's licensed premises; requiring a guest brewer to make a full and complete report of specified information to the division by a certain day each month; requiring a guest brewer to comply with all federal and state law and to pay all federal and state taxes; providing that title to the malt beverages remains with the guest brewer; prohibiting certain manufacturers or vendors from engaging in contract brewing or alternating proprietorship brewing; authorizing the division to adopt rules; reenacting ss. 563.06(7)(a) and 563.13, F.S., relating to malt beverages, imprint on individual containers, size of containers, exemptions and Florida brewery directional signs and fees, respectively, to incorporate the

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amendment made to s. 561.221, F.S., in references
thereto; providing an effective date.

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

Section 1. Paragraph (f) is added to subsection (2) of
section 561.221, Florida Statutes, to read:

561.221 Licensing of manufacturers and distributors as
vendors and of vendors as manufacturers; conditions and
limitations.—

(2)

(f) A craft brewery licensed under this subsection may
conduct tastings and sales of malt beverages produced by the
brewery at fairs, trade shows, farmers' markets, expositions,
and festivals in this state. The division shall issue permits to
such craft breweries for such tastings and sales. A craft
brewery must pay all entry fees and must have a brewery
representative present during the event. The permit is limited
to the duration and physical location of the event.

Section 2. Section 561.37, Florida Statutes, is amended to
read:

561.37 Bond for payment of taxes.—~~Each manufacturer and~~
~~each~~ distributor shall file with the division a surety bond
acceptable to the division in the sum of \$25,000 as surety for
the payment of all taxes, provided, however, that when in the
discretion of the division the amount of business done by the
~~manufacturer or~~ distributor is of such volume that a bond of
less than \$25,000 will be adequate to secure the payment of all
taxes assessed or authorized by the Beverage Law, the division

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may accept a bond in a lesser sum than \$25,000, but in no event shall it accept a bond of less than \$10,000, and it may at any time in its discretion require any bond in an amount less than \$25,000 to be increased so as not to exceed \$25,000; ~~provided, however, that the amount of bond required for a brewer shall be \$20,000, except that where, in the discretion of the division, the amount of business done by the brewer is of such volume that a bond of less than \$20,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than \$20,000, but in no event shall it accept a bond of less than \$10,000, and it may at any time in its discretion require any bond in an amount less than \$20,000 to be increased so as not to exceed \$20,000; provided further that the amount of the bond required for a wine or wine and cordial manufacturer shall be \$5,000, except that, in the case of a manufacturer engaged solely in the experimental manufacture of wines and cordials from Florida products, where in the discretion of the division the amount of business done by such manufacturer is of such volume that a bond of less than \$5,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than \$5,000, but in no event shall it accept a bond of less than \$1,000 and it may at any time in its discretion require a bond in an amount less than \$5,000 to be increased so as not to exceed \$5,000; provided, further, that the amount of bond required for a distributor who sells only beverages containing not more than 4.007 percent of alcohol by volume, in counties where the sale of intoxicating liquors, wines, and beers is prohibited, and to distributors who sell~~

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

Section 3. Subsection (2) of section 563.02, Florida Statutes, is amended to read:

563.02 License fees; vendors; manufacturers and distributors.—

(2) Each manufacturer engaged in the business of brewing only malt beverages shall pay an annual state license tax of \$3,000 for each plant or branch he or she may operate. However, each manufacturer engaged in the business of brewing fewer ~~less~~ than 60,000 ~~10,000~~ kegs of malt beverages annually pursuant to s. 561.221(2) or for consumption on the premises pursuant to s. 561.221(3) shall pay an annual state license tax of \$500 for

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each plant or branch.

Section 4. Section 563.042, Florida Statutes, is created to read:

563.042 Contract brewing and alternating proprietorships.—

(1) For purposes of this section, the term:

(a) "Alternating proprietorship brewing" means an agreement between a host brewer and a guest brewer wherein the guest brewer manufactures malt beverages on the host brewer's licensed premises.

(b) "Contract brewer" means a licensed manufacturer of malt beverages which brews such beverages on its licensed premises for a contracting brewer.

(c) "Contract brewing" means an agreement between a contract brewer and a contracting brewer wherein the contract brewer brews malt beverages on its licensed premises for a contracting brewer.

(d) "Contracting brewer" means a licensed manufacturer of malt beverages which contracts for the services of malt beverage brewing with a contract brewer.

(e) "Guest brewer" means a licensed manufacturer of malt beverages which brews malt beverages at a host brewer's licensed premises.

(f) "Host brewer" means a licensed manufacturer of malt beverages which allows a guest brewer to brew malt beverages at the host brewer's licensed premises.

(2) Notwithstanding any other provision of the Beverage Law, contract brewers are authorized to transfer malt beverages to contracting brewers in an amount up to the yearly production amount at a contracting brewer's facility pursuant to a contract

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175 brewing agreement entered into in accordance with this section.
176 Such beverages may be transferred to the contracting brewer's
177 licensed facility as provided in s. 563.022(14)(d).

178 (3) A contract brewer may contract with one or more
179 contracting brewers for the purpose of manufacturing malt
180 beverages for the contract brewer. The contract brewer is
181 responsible for complying with federal and state law relating to
182 the manufacturing of malt beverages, including labeling laws,
183 and for the payment of all federal and state taxes on any malt
184 beverages manufactured pursuant to this section after removing
185 the malt beverages from the manufacturer's licensed premises.
186 Title to the malt beverages remains with the contract brewer
187 until the malt beverages are removed from the licensed premises.

188 (4) Each entity engaged in the activities described in this
189 section shall maintain records, including the agreement
190 authorizing the manufacturing and transfer of malt beverages,
191 records of the amount of malt beverages manufactured as part of
192 the agreement, and all other records required by the division to
193 ensure compliance with the Beverage Law.

194 (5) Licensed manufacturers of malt beverages intending to
195 engage in contract brewing must do all of the following:

196 (a) Notify the division of their intent to operate as a
197 contract brewer or contracting brewer before engaging in
198 contract brewing and disclose the location of licensed premises
199 where brewing will occur on forms provided by the division.
200 Contracting brewers may engage in the manufacture of malt
201 beverages only at their duly licensed premises and at the
202 disclosed licensed premises of a contract brewer.

203 (b) Make a full and complete report to the division by the

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10th day of each month. Contract brewers shall report the volume of a label of malt beverages manufactured upon the licensed premises. Contracting brewers shall report the volume of a label of malt beverages manufactured at the licensed premises of the contract brewer.

(c) Maintain all records required to be kept by manufacturers of malt beverages under the Beverage Law.

(6) Before engaging in alternating proprietorship brewing, an entity seeking to become a host brewer or a guest brewer must qualify as a brewer with the National Revenue Center within the United States Department of the Treasury and submit the following information to the division on a form approved by the division:

(a) The name of the host brewer.

(b) The name of the guest brewer.

(c) The location where the alternating proprietorship brewing will take place.

(d) The location where any product brewed pursuant to the alternating proprietorship brewing arrangement will be stored.

(e) The amount of malt beverages to be produced under the alternating proprietorship brewing agreement.

(f) The timeframe in which the guest brewer will be manufacturing malt beverages on the host brewer's licensed premises.

(g) Proof of occupancy rights to the host brewer's licensed premises for the duration of the alternating proprietorship brewing agreement.

(h) Any other information reasonably deemed necessary by the division to ensure the health, safety, and welfare of the

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people in this state and to ensure that all applicable taxes on the malt beverages produced pursuant to an alternating proprietorship brewing agreement are remitted to the state.

(7) Each contracting brewer's malt beverages must remain separate and identifiable from the malt beverages of all other tenants at the contract brewer's licensed premises at all times.

(8) Each guest brewer shall make a full and complete report to the division by the 10th day of each month. Guest brewers shall report the volume of each label of malt beverages manufactured upon each licensed premise. Host brewers shall report the volume of each label of malt beverages manufactured at the licensed premise of the host brewer.

(9) The guest brewer is responsible for complying with all federal and state laws dealing with the manufacturing of malt beverages, including labeling laws, and for the payment of all federal and state taxes on any malt beverage manufactured pursuant to this section upon removal of the malt beverage from the manufacturer's licensed premises. Title to the malt beverages remains with the guest brewer.

(10) Manufacturers or vendors licensed pursuant to s. 561.221(3) may not engage in contract brewing or alternating proprietorship brewing.

(11) The division may adopt rules and forms pursuant to ss. 120.536(1) and 120.54 to implement this section.

Section 5. For the purpose of incorporating the amendment made by this act to section 561.221, Florida Statutes, in a reference thereto, paragraph (a) of subsection (7) of section 563.06, Florida Statutes, is reenacted to read:

563.06 Malt beverages; imprint on individual container;

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size of containers; exemptions.—

(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 installed and had purchased kegs before June 30, 2015.

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

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

d. The growlers meet the labeling and sealing requirements of paragraph (b).

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

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291 Section 6. For the purpose of incorporating the amendment
292 made by this act to section 561.221, Florida Statutes, in a
293 reference thereto, section 563.13, Florida Statutes, is
294 reenacted to read:

295 563.13 Florida brewery directional signs; fees.—Upon the
296 request of a brewery licensed under s. 561.221(2) or (3) which
297 produces a minimum of 2,500 barrels per year on the premises, is
298 open to the public at least 30 hours per week, and is available
299 for tours, the Department of Transportation shall install
300 directional signs for the brewery on the rights-of-way of
301 interstate highways and primary and secondary roads in
302 accordance with Florida's Highway Guide Sign Program as provided
303 in chapter 14-51, Florida Administrative Code. A brewery
304 licensed in this state which requests placement of a directional
305 sign through the department's permit process shall pay all
306 associated costs.

307 Section 7. This act shall take effect July 1, 2026.