2015596er 1 2 An act relating to craft distilleries; amending s. 3 565.03, F.S.; defining the term "branded product"; revising the current limitation on the number of 4 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 Transportation to install directional signs at 11 12 specified locations in accordance with Florida's 13 Highway Guide Sign Program upon the request of a craft distillery licensed in this state; requiring the craft 14 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.-

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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. (2)35 (c) A craft distillery licensed under this section may sell 36 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 offpremises consumption. Such sales are authorized only on private 40 property contiguous to the licensed distillery premises in this 41 42 state and included on the sketch or diagram defining the 43 licensed premises submitted with the distillery's license application. All sketch or diagram revisions by the distillery 44 45 shall require the division's approval verifying that the 46 souvenir gift shop location operated by the licensed distillery is owned or leased by the distillery and on property contiguous 47 48 to the distillery's production building in this state. 49 1. A craft distillery or licensed distillery may not sell any factory-sealed individual containers of spirits except in 50 face-to-face sales transactions with consumers who are making a 51 52 purchase of no more than: 53 a. Two individual containers of each branded product; 54 b. Three individual containers of a single branded product 55 and up to one individual container of a second branded product; 56 or 57 c. Four individual containers of a single branded product. 58 2. Each container sold in face-to-face transactions with

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59 <u>consumers must</u> two or fewer individual containers, that comply 60 with the container limits in s. 565.10, per calendar year for 61 the consumer's personal use and not for resale and who are 62 present at the distillery's licensed premises in this state.

 $\frac{3.1.}{1.0}$ A craft distillery must report to the division within $\frac{3.1.}{1.0}$ A craft distillery must report to the division within $\frac{5}{1.0}$ days after it reaches the production limitations provided in $\frac{10}{1.0}$ any retail sales to consumers at the $\frac{10}{1.0}$ craft distillery's licensed premises are prohibited beginning $\frac{10}{1.0}$ the day after it reaches the production limitation.

68 4.2. A craft distillery may not only ship or, arrange to ship, or deliver any of its distilled spirits to consumers and 69 70 may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a 71 72 craft distiller licensed under this section may ship, arrange to 73 ship, or deliver such spirits to manufacturers of distilled 74 spirits, wholesale distributors of distilled spirits, state or 75 federal bonded warehouses, and exporters.

76 5.3. Except as provided in subparagraph 6.4., it is 77 unlawful to transfer a distillery license for a distillery that 78 produces 75,000 or fewer gallons per calendar year of distilled 79 spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect 80 ownership interest in any distillery licensed in this state; 81 82 another state, territory, or country; or by the United States 83 government to manufacture, blend, or rectify distilled spirits 84 for beverage purposes.

<u>6.4.</u> 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

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88	spirits on <u>each of</u> its premises <u>in this state or in another</u>
89	state, territory, or country.
90	(6) Upon the request of a craft distillery licensed in this
91	state, the Department of Transportation shall install
92	directional signs for the craft distillery on the rights-of-way
93	of interstate highways and primary and secondary roads in
94	accordance with Florida's Highway Guide Sign Program, Rule 14-
95	51, Florida Administrative Code. A craft distillery licensed in
96	this state which requests placement of a directional sign
97	through the department's permit process shall pay all associated
98	costs.
99	Section 2. This act shall take effect July 1, 2015.