By the Committees on Commerce and Tourism; and Regulated Industries; and Senators Steube, Brandes, Hutson, and Young

A bill to be entitled
An act relating to alcoholic beverages; amending s. 561.221, F.S.; providing that the ownership, management, operation, or control of up to three vendor’s licenses for the sale of alcoholic beverages by a designated Florida Craft Distillery is not prohibited under specified laws; requiring the Division of Alcoholic Beverages and Tobacco to issue permits to designated Florida Craft Distilleries to conduct certain tastings and sales; requiring such distilleries to pay entry fees and have a representative present during certain events; authorizing the transfer of wine and distilled spirits to vendors by specified wineries and distilleries under certain circumstances; requiring the division to approve certain storage areas; requiring distilleries to report all such transfers to the division and to include them in monthly excise tax payments; amending s. 565.03, F.S.; redefining the term “craft distillery”; specifying authorized products for sale by craft distilleries; providing limitations on retail sales by craft distilleries to consumers; permitting craft distilleries to retain and renew a vendor’s license under specified circumstances; authorizing craft distilleries to transfer distilled spirits under certain conditions; requiring the division to approve certain storage areas; requiring distilleries to report all such transfers to the division and to include them in
monthly excise tax payments; deleting certain
prohibitions on the transfer of a distillery license
and affiliated ownership; authorizing craft
distilleries to apply for a sales room location under
certain circumstances; amending s. 565.17, F.S.;
authorizing craft distilleries to conduct tastings
under certain circumstances; providing an effective
date.

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

Section 1. Subsection (1) of section 561.221, Florida
Statutes, is amended to read:

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

(1)(a) Nothing contained in s. 561.22, s. 561.42, or any
other provision of the Beverage Law prohibits the ownership,
management, operation, or control of not more than three
vendor’s licenses for the sale of alcoholic beverages by a
manufacturer of wine or a designated Florida Craft Distillery
who is licensed and engaged in the manufacture of wine or
distilled spirits in this state, even if such manufacturer is
also licensed as a distributor; provided that no such vendor’s
license is not shall be owned, managed, operated, or controlled
by any licensed manufacturer of wine or any craft distillery
unless the licensed premises of the vendor are situated on
property contiguous to the manufacturing premises of the
licensed manufacturer of wine or distilled spirits or in its
sales room pursuant to s. 565.03.

(b) The Division of Alcoholic Beverages and Tobacco shall issue permits to a certified Florida Farm Winery or a designated Florida Craft Distillery to conduct tasting and sales of wine or distilled spirits produced by certified Florida Farm Wineries or designated Florida Craft Distilleries at Florida fairs, trade shows, expositions, and festivals. The certified Florida Farm Winery or designated Florida Craft Distillery shall pay all entry fees and shall have a winery or distillery representative present during the event. The permit is limited to the length of the event.

(c) A certified Florida Farm Winery or designated Florida Craft Distillery may transfer wine or distilled spirits produced at such winery or distillery, respectively, out of its federal bonded space or nonbonded space at its licensed premises or storage areas to its vendor’s licensed premises or approved sales room. The division shall approve the storage areas, provided that each is included in the winery’s or distillery’s current state tax bond. All such transfers of wine or distilled spirits shall be reported to the division pursuant to s. 561.55 and included in the winery’s or distillery’s excise tax payment to the state each month.

Section 2. Paragraph (b) of subsection (1) and paragraph (c) of subsection (2) of section 565.03, Florida Statutes, are amended to read:

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

(1) As used in this section, the term:
(b) “Craft distillery” means a licensed distillery that produces 250,000 or fewer gallons per calendar year of distilled spirits on its premises and is designated as a craft distillery by the division upon notification in writing of its decision to qualify as a craft distillery.

(2)(c) A craft distillery licensed under this section may sell to consumers, at its souvenir gift shop, branded products distilled and bottled on its premises in this state in factory-sealed containers approved for sale that are filled at the distillery for off-premises consumption. Such sales are authorized only on private property owned or leased by the distillery which is contiguous to the licensed distillery premises and at one other approved sales room located in the same county as the distillery’s production building which shall be an extension of the craft distillery’s licensed premises in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery’s license application. All sketch or diagram revisions by the distillery shall require local zoning approval and the division’s approval verifying that the souvenir gift shop location and all areas used and operated by the licensed distillery are is owned or leased by the distillery and on property contiguous to the distillery’s production building in this state or within the extended licensed premises.

1. A craft distillery licensed under this section may not sell any factory-sealed individual containers of spirits except in face-to-face sales transactions at the craft distillery’s licensed premises with consumers who are making a purchase of no more than:

CODING: Words struck are deletions; words underlined are additions.
a. Two individual containers of each branded product;

b. Three individual containers of a single branded product and up to one individual container of a second branded product;

c. Four individual containers of a single branded product.

2. Each container sold in face-to-face transactions with consumers must comply with the container limits in s. 565.107 per calendar year for the consumer’s personal use and not for resale and who are present at the distillery’s licensed premises in this state.

3. A craft distillery licensed under this section must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(b). Any retail sales to consumers at the craft distillery’s licensed premises are prohibited beginning the day after it reaches the production limitation unless it has been issued a vendor’s license at each craft distillery and additional sales room authorized in s. 561.221. Notwithstanding any of the provisions of this section or s. 561.221, a craft distillery which holds a vendor’s license may retain and renew such license, if such craft distillery exceeds the production limitation in paragraph (1)(b).

4. A craft distillery licensed under this section may not ship or arrange to ship any of its distilled spirits to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distiller licensed under this section may ship, arrange to ship, or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, and exporters.
5. A craft distillery may transfer distilled spirits it manufactures from its federal bonded space or nonbonded space at its licensed premises or storage areas to its souvenir gift shop and additional sales room. The division shall approve all storage areas requested by the craft distillery which are included in its current state bond. All such transfers of distilled spirits shall be reported to the division pursuant to s. 561.55 and included in the excise tax payment due the state. Except as provided in subparagraph 6., it is unlawful to transfer a distillery license for a distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership interest in any distillery licensed in this state, another state, territory, or country; or by the United States government to manufacture, blend, or rectify distilled spirits for beverage purposes.

6. A craft distillery may include a sales room location authorized by this subsection on its original license application or by an amendment to its license application on forms prescribed by the division shall not have its ownership affiliated with another distillery, unless such distillery produces 75,000 or fewer gallons per calendar year of distilled spirits on each of its premises in this state or in another state, territory, or country.

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

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

Section 4. This act shall take effect upon becoming a law.