

Tab 2	SB 56 by Rodriguez ; Community Association Assessment Notices
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Tab 3	SB 46 by Hutson ; Craft Distilleries
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The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

REGULATED INDUSTRIES
Senator Hutson, Chair
Senator Book, Vice Chair

MEETING DATE: Tuesday, January 26, 2021

TIME: 12:30—3:00 p.m.

PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Hutson, Chair; Senator Book, Vice Chair; Senators Albritton, Gruters, Hooper, Passidomo, Rodrigues, Rouson, and Stewart

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
PUBLIC TESTIMONY WILL BE RECEIVED FROM ROOM A3 AT THE DONALD L. TUCKER CIVIC CENTER, 505 W. PENSACOLA STREET, TALLAHASSEE, FL 32301			
1	Introduction of Senators and Staff		Discussed
2	SB 56 Rodriguez (Compare S 630)	Community Association Assessment Notices; Requiring condominium associations to maintain specified affirmative acknowledgments as official records of the association; revising timeframes for foreclosure judgments; requiring condominium associations to deliver certain statements of account to unit owners in a specified manner; requiring condominium associations to give notice to unit owners before changing the method of delivery for the statements of account; requiring cooperative associations to maintain specified affirmative acknowledgments as official records of the association, etc. RI 01/26/2021 Favorable CA RC	Favorable Yeas 9 Nays 0
3	SB 46 Hutson (Compare S 142)	Craft Distilleries; Authorizing craft distilleries to be licensed as specified vendors under certain circumstances; requiring certain alcoholic beverages to be obtained through a licensed distributor that meets specified criteria; prohibiting a distillery from operating as a craft distillery until certain requirements are met; authorizing persons to have common ownership in craft distilleries under certain circumstances; requiring a minimum percentage of a craft distillery's total finished branded products to be distilled in this state and contain one or more Florida agricultural products, etc. RI 01/26/2021 Fav/CS CM RC	Fav/CS Yeas 9 Nays 0
4	Staff Overview of Committee Jurisdiction		Presented

COMMITTEE MEETING EXPANDED AGENDA

Regulated Industries

Tuesday, January 26, 2021, 12:30—3:00 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
	Other Related Meeting Documents		

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Regulated Industries

BILL: SB 56

INTRODUCER: Senator Rodriguez

SUBJECT: Community Association Assessment Notices

DATE: January 25, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Imhof	RI	Favorable
2.			CA	
3.			RC	

I. Summary:

SB 56 provides additional notice requirements for condominium, cooperative, and homeowners' associations relating to the collection of assessments by these community associations.

Relating to an association's change in the method of delivering the statement of the account, the bill:

- Requires community associations to send to the unit or parcel owners any statement of account by first-class mail, or electronic transmission to the owner's email address maintained in the association's official records.
- Requires the association, before changing the method of delivery for the statement of account, to deliver the written notice of such change to the owner.
- Requires the notice to be sent by first-class mail and delivered to the owner's address maintained in the association's official records at least 30 days before the delivery method is changed.
- Requires the unit or parcel owner to affirmatively acknowledge his or her understanding that the association has changed its method of delivering the statement of account to delivery by electronic transmission.
- Requires the unit or parcel owner's affirmative acknowledgement to be maintained by the association as an official record, but such record is not accessible to other unit or parcel owners as an official record.

The bill provides that community associations may not require the payment of attorney fees related to past due assessments without first delivering a written notice of the late assessment to the unit or parcel owners which specifies the amount owed and provides an opportunity to pay past due assessments without payment of additional attorney fees. It provides the form of the notice.

The bill also increases the period of time a condominium or cooperative unit owner has to pay a monetary obligation from 30 days to 45 days after receiving an association's Notice of Intent to Record a Claim of Lien in order to avoid the filing of a claim of lien. The bill revises the timeframe for condominium and cooperative unit owners to conform to the 45-day payment period current law provides to parcel owners in a homeowners' association.

The bill provides an effective date of July 1, 2021.

II. Present Situation:

Division of Florida Condominiums, Timeshares, and Mobile Homes

The Division of Florida Condominiums, Timeshares, and Mobile Homes (division) within the Department of Business and Professional Regulation (DBPR) administers the provisions of chs. 718 and 719, F.S., for condominium and cooperative associations, respectively. The division may investigate complaints and enforce compliance with chs. 718 and 719, F.S., for associations that are still under developer control.¹ The division also has the authority to investigate complaints against developers involving improper turnover or failure to transfer control to the association.² After control of the condominium is transferred from the developer to the unit owners, the division has jurisdiction to investigate complaints related to financial issues, elections, and unit owner access to association records.³ For cooperatives, the division's jurisdiction extends to the development, construction, sale, lease, ownership, operation, and management of residential cooperative units.⁴

As part of the division's authority to investigate complaints, the division may subpoena witnesses, take sworn statements from witnesses, issue cease and desist orders, and impose civil penalties against developers, associations, and association board members.⁵

If the division has reasonable cause to believe that a violation of any provision of ch. 718, F.S., ch. 719, F.S., or a related rule has occurred, the division may institute enforcement proceedings in its name against any developer, bulk assignee, bulk buyer, association, officer, or member of the board of administration, or its assignees or agents. The division may conduct an investigation and issue an order to cease and desist from unlawful practices and to take affirmative action to carry out the purpose of the applicable chapter. Also, Florida law authorizes the division to petition a court to appoint a receiver or conservator to implement a court order or to enforce an injunction or temporary restraining order. The division may also impose civil penalties.⁶

Unlike condominium and cooperative associations, homeowners' associations are not regulated by a state agency. Section 720.302(2), F.S., expresses the legislative intent regarding the regulation of homeowners' associations:

¹ Sections 718.501(1) and 719.501(1), F.S.

² *Id.*

³ Section 718.501(1), F.S.

⁴ Section 719.501(1), F.S.

⁵ Sections 718.501(1) and 719.501(1), F.S.

⁶ *Id.*

The Legislature recognizes that it is not in the best interest of homeowners' associations or the individual association members thereof to create or impose a bureau or other agency of state government to regulate the affairs of homeowners' associations. However, in accordance with s. 720.311, F.S., the Legislature finds that homeowners' associations and their individual members will benefit from an expedited alternative process for resolution of election and recall disputes and presuit mediation of other disputes involving covenant enforcement and authorizes the department to hear, administer, and determine these disputes as more fully set forth in this chapter. Further, the Legislature recognizes that certain contract rights have been created for the benefit of homeowners' associations and members thereof before the effective date of this act and that ss. 720.301-720.407 F.S., are not intended to impair such contract rights, including, but not limited to, the rights of the developer to complete the community as initially contemplated.

For homeowners' associations, the division's authority is limited to the arbitration of recall election disputes.⁷

Chapters 718, 719, and 720, F.S.

Chapter 718, F.S., relating to condominiums, ch. 719, F.S., relating to cooperatives, and ch. 720, F.S., relating to homeowners' associations, provide for the governance of these community associations. The chapters delineate requirements for notices of meetings,⁸ recordkeeping requirements, including which records are accessible to the members of the association,⁹ and financial reporting.¹⁰ Timeshare condominiums are generally governed by ch. 721, F.S., the "Florida Vacation Plan and Timesharing Act."

Condominium

A condominium is a "form of ownership of real property created under ch. 718, F.S."¹¹ Condominium unit owners are in a unique legal position because they are exclusive owners of property within a community, joint owners of community common elements and members of the condominium association.¹² For unit owners, membership in the association is an unalienable right and required condition of unit ownership.¹³ A condominium is created by recording a declaration of the condominium in the public records of the county where the condominium is located.¹⁴ A declaration is similar to a constitution in that it:

⁷ See s. 720.306(9)(c), F.S.

⁸ See ss. 718.112(2), 719.106(2)(c), and 720.303(2), F.S., for condominium, cooperative, and homeowners' associations, respectively.

⁹ See ss. 718.111(12), 719.104(2), and 720.303(4), F.S., for condominium, cooperative, and homeowners' associations, respectively.

¹⁰ See ss. 718.111(13), 719.104(4), and 720.303(7), F.S., for condominium, cooperative, and homeowners' associations, respectively.

¹¹ Section 718.103(11), F.S.

¹² See s. 718.103, F.S.

¹³ *Id.*

¹⁴ Section 718.104(2), F.S.

[S]trictly governs the relationships among condominium unit owners and the condominium association. Under the declaration, the Board of the condominium association has broad authority to enact rules for the benefit of the community.¹⁵

Condominium associations are creatures of statute and private contracts. Under the Florida Condominium Act, associations must be incorporated as a Florida for-profit corporation or a Florida not-for-profit corporation.¹⁶ Although unit owners are considered shareholders of this corporate entity, like other corporations, a unit owner's role as a shareholder does not implicitly provide them any authority to act on behalf of the association.

A condominium association is administered by a board of directors referred to as a “board of administration.”¹⁷ The board of administration is comprised of individual unit owners elected by the members of a community to manage community affairs and represent the interests of the association. Association board members must enforce a community's governing documents and are responsible for maintaining a condominium's common elements which are owned in undivided shares by unit owners.¹⁸ In litigation, an association's board of administration is in charge of directing attorney actions.¹⁹

Cooperative Associations

Section 719.103(12), F.S., defines a “cooperative” to mean:

[T]hat form of ownership of real property wherein legal title is vested in a corporation or other entity and the beneficial use is evidenced by an ownership interest in the association and a lease or other muniment of title or possession granted by the association as the owner of all the cooperative property.

A cooperative differs from a condominium because, in a cooperative, no unit is individually owned. Instead, a cooperative owner receives an exclusive right to occupy the unit based on their ownership interest in the cooperative entity as a whole. A cooperative owner is either a stockholder or member of a cooperative apartment corporation who is entitled, solely by reason of ownership of stock or membership in the corporation, to occupy an apartment in a building owned by the corporation.²⁰ The cooperative holds the legal title to the unit and all common elements. The cooperative association may assess costs for the maintenance of common expenses.²¹

¹⁵ *Neuman v. Grandview at Emerald Hills*, 861 So. 2d 494, 496-97 (Fla. 4th DCA 2003) (internal citations omitted).

¹⁶ Section 718.303(3), F.S.

¹⁷ Section 718.103(4), F.S.

¹⁸ Section 718.103(2), F.S.

¹⁹ Section 718.103(30), F.S.

²⁰ See *Walters v. Agency for Health Care Administration*, 2019 WL 6691513, 44 Fla. L. Weekly D2898 (Fla. 3rd DCA 2019)

²¹ See ss. 719.106(1)(g) and 719.107, F.S.

Homeowners' Associations

Chapter 720, F.S., provides statutory recognition to corporations that operate residential communities in Florida as well as procedures for operating homeowners' associations. These laws protect the rights of association members without unduly impairing the ability of such associations to perform their functions.²²

A "homeowners' association" is defined as a "Florida corporation responsible for the operation of a community or a mobile home subdivision in which the voting membership is made up of parcel owners or their agents, or a combination thereof, and in which membership is a mandatory condition of parcel ownership, and which is authorized to impose assessments that, if unpaid, may become a lien on the parcel."²³ Unless specifically stated to the contrary in the articles of incorporation, homeowners' associations are also governed by ch. 607, F.S., relating to for-profit corporations or by ch. 617, F.S., relating to not-for-profit corporations.²⁴

Homeowners' associations are administered by a board of directors whose members are elected.²⁵ The powers and duties of homeowners' associations include the powers and duties provided in ch. 720, F.S., and in the governing documents of the association, which include a recorded declaration of covenants, bylaws, articles of incorporation, and duly-adopted amendments to these documents.²⁶ The officers and members of a homeowners' association have a fiduciary relationship to the members who are served by the association.²⁷

Homeowners associations mainly differ from condominiums, in the type of property individually owned. Condominium unit owners essentially own airspace within a building, whereas homeowner association members own a parcel of real property or land.

Collection of Assessment Debts

Members of community associations may receive a document, i.e., a statement of the account, designating the due date and amount of each assessment, the amount paid on the account, and the balance owed by the owner to the association. Current law does not specify how the statement of account must be transmitted to members of the association, e.g., by regular mail or by electronic transmission (email). If an association alters its method of delivering the statement of account, current law does not provide a process to provide the unit or parcel owner notice that the method of delivering the statement of account has changed.

Community associations may file a lien on a unit or parcel for unpaid assessments, also known as maintenance amounts.²⁸ Before filing a claim of lien, the association must give the unit or parcel owner a Notice of Intent to Record a Claim of Lien that provides the unit or parcel owner

²² See s. 720.302(1), F.S.

²³ Section 720.301(9), F.S.

²⁴ Section 720.302(5), F.S.

²⁵ See ss. 720.303 and 720.307, F.S.

²⁶ See ss. 720.301 and 720.303, F.S.

²⁷ Section 720.303(1), F.S.

²⁸ See ss. 718.116(5)(a), 719.108(4), and 720.3085(1), F.S., for condominium, cooperative, and homeowners' associations, respectively.

with an opportunity to remit the past due amount before the association files a claim of a lien.²⁹ In a homeowners' association, the notice provides the parcel owner 45 days after receipt of the notice to pay the past due amount. Condominium and cooperative unit owners are provided 30 days after receipt of the notice to pay the past due amount. The past due amount includes the maintenance amount, any applicable late fee, interest, certified mail charges, and other costs, which may include attorney fees.³⁰

Official Records – Condominium, Cooperative, and Homeowners' Associations

Florida law specifies the official records that condominium, cooperative, and homeowners' associations must maintain.³¹ Generally, the official records must be maintained in Florida for at least seven years.³² Certain of these records must be accessible to the members of an association.³³ Additionally, certain records are protected or restricted from disclosure to members, such as records protected by attorney-client privilege, personnel records, and personal identifying records of owners.³⁴ Community associations must maintain a copy of each unit or parcel owner's statement of the account designating the due date and amount of each assessment, the amount paid on the account, and the balance due.³⁵

III. Effect of Proposed Changes:

The bill provides additional notice requirements for condominium, cooperative, and homeowners' associations relating to the collection of assessments.

Relating to an association's change in the method of delivering the statement of the account, the bill:

- Requires community associations to send to the unit or parcel owners any statement of account by first-class mail, or electronic transmission to the owner's email address in the association's official records.
- Requires the association, before changing the method of delivery for the statement of account, to deliver the written notice of such change to the owner.
- Requires the notice to be sent by first-class mail and delivered to the owner's address maintained in the association's official records at least 30 days before the delivery method is changed.

²⁹ See ss. 718.121(4), 719.108(4), and 720.3085(4), F.S., for condominium, cooperative, and homeowners' associations, respectively.

³⁰ *Id.*

³¹ See ss. 718.111(12), 719.104(2), 720.303(5), F.S., relating to condominium, cooperative, and homeowners' associations, respectively.

³² See ss. 718.111(12)(b), 719.104(2)(b), and 720.303(5), F.S., relating to condominium, cooperative, and homeowners' associations, respectively.

³³ See ss. 718.111(12)(a), 719.104(2)(a), and 720.303(5), F.S., relating to condominium, cooperative, and homeowners' associations, respectively.

³⁴ See ss. 718.111(12)(c), 719.104(2)(c), and 720.303(5), F.S., relating to condominium, cooperative, and homeowners' associations, respectively.

³⁵ See ss. 718.111(12)(a)11.b., 719.104(2)(a)9.b., and 720.303(4)(j)2., F.S., relating to condominium, cooperative, and homeowners' associations, respectively.

- Requires the unit or parcel owners to affirmatively acknowledge his or her understanding that the association has changed its method of delivering the statement of account to delivery by electronic transmission.
- Requires the unit or parcel owner's affirmative acknowledgement to be maintained by the association as an official record, but such record is not accessible to other unit or parcel owners as an official record.

The bill provides that community associations may not require the payment of attorney fees related to past due assessments without first delivering a written notice of the late assessment to the unit or parcel owners which specifies the amount owed and provides an opportunity to pay past due assessments without payment of additional attorney fees. It provides the form of the notice.

The bill also increases the period of time a condominium or cooperative unit owner has to pay a monetary obligation from 30 days to 45 days after receiving an association's Notice of Intent to Record a Claim of Lien in order to avoid the filing of a claim of lien. The bill revises the timeframe for condominium and cooperative unit owners to conform to the 45-day payment period current law provides to parcel owners in a homeowners' association.³⁶

The bill provides an effective date of July 1, 2021.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

³⁶ See s. 720.3085(4), F.S.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 718.111, 718.116, 718.121, 719.104, 719.108, 720.303, and 720.3085.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Rodriguez

39-00390C-21

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1 A bill to be entitled
 2 An act relating to community association assessment
 3 notices; amending s. 718.111, F.S.; requiring
 4 condominium associations to maintain specified
 5 affirmative acknowledgments as official records of the
 6 association; specifying that such acknowledgments are
 7 not accessible to unit owners; amending s. 718.116,
 8 F.S.; revising timeframes for foreclosure judgments;
 9 conforming provisions to changes made by the act;
 10 amending s. 718.121, F.S.; requiring condominium
 11 associations to deliver certain statements of account
 12 to unit owners in a specified manner; requiring
 13 condominium associations to give notice to unit owners
 14 before changing the method of delivery for the
 15 statements of account; providing requirements for the
 16 notice; requiring unit owners to affirmatively
 17 acknowledge the changes in delivery methods;
 18 prohibiting condominium associations from requiring
 19 the payment of attorney fees relating to past due
 20 assessments without first providing a specified notice
 21 to unit owners; providing requirements for the notice;
 22 revising the timeframe for condominium associations to
 23 file liens against condominium units; conforming
 24 provisions to changes made by the act; amending s.
 25 719.104, F.S.; requiring cooperative associations to
 26 maintain specified affirmative acknowledgments as
 27 official records of the association; specifying that
 28 such acknowledgments are not accessible to unit
 29 owners; amending s. 719.108, F.S.; requiring

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30 cooperative associations to deliver certain statements
 31 of account to unit owners in a specified manner;
 32 requiring cooperative associations to give notice to
 33 unit owners before changing the method of delivery for
 34 the statements of account; providing requirements for
 35 the notice; requiring unit owners to affirmatively
 36 acknowledge the changes in delivery methods;
 37 prohibiting cooperative associations from requiring
 38 the payment of attorney fees relating to past due
 39 assessments without first providing specified notice
 40 to unit owners; providing requirements for the notice;
 41 revising the timeframe for cooperative associations to
 42 file liens against cooperative parcels; conforming
 43 provisions to changes made by the act; amending s.
 44 720.303, F.S.; requiring homeowners' associations to
 45 maintain specified affirmative acknowledgments as
 46 official records of the association; specifying that
 47 such acknowledgments are not accessible to parcel
 48 owners; amending s. 720.3085, F.S.; requiring
 49 homeowners' associations to deliver certain statements
 50 of account to parcel owners in a specified manner;
 51 requiring homeowners' associations to give notice to
 52 parcel owners before changing the method of delivery
 53 for the statements of account; providing requirements
 54 for the notice; requiring parcel owners to
 55 affirmatively acknowledge the changes in delivery
 56 methods; prohibiting homeowners' associations from
 57 requiring the payment of attorney fees relating to
 58 past due assessments without first providing specified

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59 notice to parcel owners; providing requirements for
60 the notice; providing an effective date.

61
62 Be It Enacted by the Legislature of the State of Florida:

63
64 Section 1. Paragraphs (a) and (c) of subsection (12) of
65 section 718.111, Florida Statutes, are amended to read:

66 718.111 The association.—

67 (12) OFFICIAL RECORDS.—

68 (a) From the inception of the association, the association
69 shall maintain each of the following items, if applicable, which
70 constitutes the official records of the association:

71 1. A copy of the plans, permits, warranties, and other
72 items provided by the developer pursuant to s. 718.301(4).

73 2. A photocopy of the recorded declaration of condominium
74 of each condominium operated by the association and each
75 amendment to each declaration.

76 3. A photocopy of the recorded bylaws of the association
77 and each amendment to the bylaws.

78 4. A certified copy of the articles of incorporation of the
79 association, or other documents creating the association, and
80 each amendment thereto.

81 5. A copy of the current rules of the association.

82 6. A book or books that contain the minutes of all meetings
83 of the association, the board of administration, and the unit
84 owners.

85 7. A current roster of all unit owners and their mailing
86 addresses, unit identifications, voting certifications, and, if
87 known, telephone numbers. The association shall also maintain

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88 the e-mail addresses and facsimile numbers of unit owners
89 consenting to receive notice by electronic transmission. The e-
90 mail addresses and facsimile numbers are not accessible to unit
91 owners if consent to receive notice by electronic transmission
92 is not provided in accordance with sub-subparagraph (c)3.e.
93 However, the association is not liable for an inadvertent
94 disclosure of the e-mail address or facsimile number for
95 receiving electronic transmission of notices.

96 8. All current insurance policies of the association and
97 condominiums operated by the association.

98 9. A current copy of any management agreement, lease, or
99 other contract to which the association is a party or under
100 which the association or the unit owners have an obligation or
101 responsibility.

102 10. Bills of sale or transfer for all property owned by the
103 association.

104 11. Accounting records for the association and separate
105 accounting records for each condominium that the association
106 operates. Any person who knowingly or intentionally defaces or
107 destroys such records, or who knowingly or intentionally fails
108 to create or maintain such records, with the intent of causing
109 harm to the association or one or more of its members, is
110 personally subject to a civil penalty pursuant to s.

111 718.501(1)(d). The accounting records must include, but are not
112 limited to:

113 a. Accurate, itemized, and detailed records of all receipts
114 and expenditures.

115 b. A current account and a monthly, bimonthly, or quarterly
116 statement of the account for each unit designating the name of

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117 the unit owner, the due date and amount of each assessment, the
 118 amount paid on the account, and the balance due.

119 c. All audits, reviews, accounting statements, and
 120 financial reports of the association or condominium.

121 d. All contracts for work to be performed. Bids for work to
 122 be performed are also considered official records and must be
 123 maintained by the association.

124 12. Ballots, sign-in sheets, voting proxies, and all other
 125 papers and electronic records relating to voting by unit owners,
 126 which must be maintained for 1 year from the date of the
 127 election, vote, or meeting to which the document relates,
 128 notwithstanding paragraph (b).

129 13. All rental records if the association is acting as
 130 agent for the rental of condominium units.

131 14. A copy of the current question and answer sheet as
 132 described in s. 718.504.

133 ~~15. All other written records of the association not~~
 134 ~~specifically included in the foregoing which are related to the~~
 135 ~~operation of the association.~~

136 ~~16.~~ A copy of the inspection report as described in s.
 137 718.301(4)(p).

138 16. Bids for materials, equipment, or services.

139 17. All affirmative acknowledgments made pursuant to s.
 140 718.121(4)(c).

141 18. All other written records of the association not
 142 specifically included in the foregoing which are related to the
 143 operation of the association.

144 (c)1. The official records of the association are open to
 145 inspection by any association member or the authorized

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146 representative of such member at all reasonable times. The right
 147 to inspect the records includes the right to make or obtain
 148 copies, at the reasonable expense, if any, of the member or
 149 authorized representative of such member. A renter of a unit has
 150 a right to inspect and copy the association's bylaws and rules.
 151 The association may adopt reasonable rules regarding the
 152 frequency, time, location, notice, and manner of record
 153 inspections and copying. The failure of an association to
 154 provide the records within 10 working days after receipt of a
 155 written request creates a rebuttable presumption that the
 156 association willfully failed to comply with this paragraph. A
 157 unit owner who is denied access to official records is entitled
 158 to the actual damages or minimum damages for the association's
 159 willful failure to comply. Minimum damages are \$50 per calendar
 160 day for up to 10 days, beginning on the 11th working day after
 161 receipt of the written request. The failure to permit inspection
 162 entitles any person prevailing in an enforcement action to
 163 recover reasonable attorney fees from the person in control of
 164 the records who, directly or indirectly, knowingly denied access
 165 to the records.

166 2. Any person who knowingly or intentionally defaces or
 167 destroys accounting records that are required by this chapter to
 168 be maintained during the period for which such records are
 169 required to be maintained, or who knowingly or intentionally
 170 fails to create or maintain accounting records that are required
 171 to be created or maintained, with the intent of causing harm to
 172 the association or one or more of its members, is personally
 173 subject to a civil penalty pursuant to s. 718.501(1)(d).

174 3. The association shall maintain an adequate number of

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175 copies of the declaration, articles of incorporation, bylaws,
 176 and rules, and all amendments to each of the foregoing, as well
 177 as the question and answer sheet as described in s. 718.504 and
 178 year-end financial information required under this section, on
 179 the condominium property to ensure their availability to unit
 180 owners and prospective purchasers, and may charge its actual
 181 costs for preparing and furnishing these documents to those
 182 requesting the documents. An association shall allow a member or
 183 his or her authorized representative to use a portable device,
 184 including a smartphone, tablet, portable scanner, or any other
 185 technology capable of scanning or taking photographs, to make an
 186 electronic copy of the official records in lieu of the
 187 association's providing the member or his or her authorized
 188 representative with a copy of such records. The association may
 189 not charge a member or his or her authorized representative for
 190 the use of a portable device. Notwithstanding this paragraph,
 191 the following records are not accessible to unit owners:

192 a. Any record protected by the lawyer-client privilege as
 193 described in s. 90.502 and any record protected by the work-
 194 product privilege, including a record prepared by an association
 195 attorney or prepared at the attorney's express direction, which
 196 reflects a mental impression, conclusion, litigation strategy,
 197 or legal theory of the attorney or the association, and which
 198 was prepared exclusively for civil or criminal litigation or for
 199 adversarial administrative proceedings, or which was prepared in
 200 anticipation of such litigation or proceedings until the
 201 conclusion of the litigation or proceedings.

202 b. Information obtained by an association in connection
 203 with the approval of the lease, sale, or other transfer of a

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204 unit.

205 c. Personnel records of association or management company
 206 employees, including, but not limited to, disciplinary, payroll,
 207 health, and insurance records. For purposes of this sub-
 208 subparagraph, the term "personnel records" does not include
 209 written employment agreements with an association employee or
 210 management company, or budgetary or financial records that
 211 indicate the compensation paid to an association employee.

212 d. Medical records of unit owners.

213 e. Social security numbers, driver license numbers, credit
 214 card numbers, e-mail addresses, telephone numbers, facsimile
 215 numbers, emergency contact information, addresses of a unit
 216 owner other than as provided to fulfill the association's notice
 217 requirements, and other personal identifying information of any
 218 person, excluding the person's name, unit designation, mailing
 219 address, property address, and any address, e-mail address, or
 220 facsimile number provided to the association to fulfill the
 221 association's notice requirements. Notwithstanding the
 222 restrictions in this sub-subparagraph, an association may print
 223 and distribute to parcel owners a directory containing the name,
 224 parcel address, and all telephone numbers of each parcel owner.
 225 However, an owner may exclude his or her telephone numbers from
 226 the directory by so requesting in writing to the association. An
 227 owner may consent in writing to the disclosure of other contact
 228 information described in this sub-subparagraph. The association
 229 is not liable for the inadvertent disclosure of information that
 230 is protected under this sub-subparagraph if the information is
 231 included in an official record of the association and is
 232 voluntarily provided by an owner and not requested by the

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233 association.

234 f. Electronic security measures that are used by the
235 association to safeguard data, including passwords.

236 g. The software and operating system used by the
237 association which allow the manipulation of data, even if the
238 owner owns a copy of the same software used by the association.
239 The data is part of the official records of the association.

240 h. All affirmative acknowledgments made pursuant to s.
241 718.121(4)(c).

242 Section 2. Paragraph (b) of subsection (6) of section
243 718.116, Florida Statutes, is amended to read:

244 718.116 Assessments; liability; lien and priority;
245 interest; collection.-

246 (6)

247 (b) No foreclosure judgment may be entered until at least
248 45 ~~30~~ days after the association gives written notice to the
249 unit owner of its intention to foreclose its lien to collect the
250 unpaid assessments. The notice must be in substantially the
251 following form:

252
253 DELINQUENT ASSESSMENT

254
255 This letter is to inform you a Claim of Lien has been
256 filed against your property because you have not paid
257 the ...(type of assessment)... assessment to ...(name
258 of association).... The association intends to
259 foreclose the lien and collect the unpaid amount
260 within 45 ~~30~~ days of this letter being provided to
261 you.

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262

263 You owe the interest accruing from ...(month/year)...
264 to the present. As of the date of this letter, the
265 total amount due with interest is \$.... All costs of
266 any action and interest from this day forward will
267 also be charged to your account.

268
269 Any questions concerning this matter should be
270 directed to ...(insert name, addresses, and telephone
271 numbers of association representative)....

272
273 If this notice is not given at least 45 ~~30~~ days before the
274 foreclosure action is filed, and if the unpaid assessments,
275 including those coming due after the claim of lien is recorded,
276 are paid before the entry of a final judgment of foreclosure,
277 the association shall not recover attorney ~~attorney's~~ fees or
278 costs. The notice must be given by delivery of a copy of it to
279 the unit owner or by certified or registered mail, return
280 receipt requested, addressed to the unit owner at his or her
281 last known address; and, upon such mailing, the notice shall be
282 deemed to have been given, and the court shall proceed with the
283 foreclosure action and may award attorney ~~attorney's~~ fees and
284 costs as permitted by law. The notice requirements of this
285 subsection are satisfied if the unit owner records a notice of
286 contest of lien as provided in subsection (5). The notice
287 requirements of this subsection do not apply if an action to
288 foreclose a mortgage on the condominium unit is pending before
289 any court; if the rights of the association would be affected by
290 such foreclosure; and if actual, constructive, or substitute

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291 service of process has been made on the unit owner.
292 Section 3. Subsection (4) of section 718.121, Florida
293 Statutes, is amended, and subsections (5) and (6) are added to
294 that section, to read:

295 718.121 Liens.—

296 (4) (a) The association must deliver a unit’s statement of
297 the account described in s. 718.111(12) (a)11.b. to the unit
298 owner by first-class United States mail or by electronic
299 transmission to the unit owner’s e-mail address maintained in
300 the association’s official records.

301 (b) Before changing the method of delivery for the
302 statement of the account, the association must deliver a written
303 notice of such change to each unit owner. The written notice
304 must be delivered to the unit owner at least 30 days before the
305 association sends the statement of the account by the new
306 delivery method. The notice must be sent by first-class United
307 States mail to the unit owner at his or her last address as
308 reflected in the association’s records and, if such address is
309 not the unit address, must be sent by first-class United States
310 mail to the unit address. Notice is deemed to have been given
311 upon mailing as required by this paragraph.

312 (c) A unit owner must affirmatively acknowledge his or her
313 understanding that the association will change its method of
314 delivery of the statement of the account before the association
315 may change the method of delivering the statement of the
316 account. The unit owner may make the affirmative acknowledgment
317 electronically or in writing.

318 (5) An association may not require payment of attorney fees
319 related to a past due assessment without first delivering a

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320 written notice of late assessment to the unit owner which
321 specifies the amount owed the association and provides the unit
322 owner an opportunity to pay the amount owed without the
323 assessment of attorney fees. The notice of late assessment must
324 be sent by first-class United States mail to the unit owner at
325 his or her last address as reflected in the association’s
326 records and, if such address is not the unit address, must be
327 sent by first-class United States mail to the unit address.
328 Notice is deemed to have been given upon mailing as required by
329 this subsection. The notice must be in substantially the
330 following form:

331 NOTICE OF LATE ASSESSMENT

332 RE: Unit ... of ... (name of association)...

333
334 The following amounts are currently due on your
335 account to ... (name of association) ..., and must be
336 paid within 30 days of the date of this letter. This
337 letter shall serve as the association’s notice of its
338 intent to proceed with further collection action
339 against your property no sooner than 30 days of the
340 date of this letter, unless you pay in full the
341 amounts set forth below:
342

343	Maintenance due ... (dates)...	\$.....
344	Late fee, if applicable	\$.....
345	Interest through ... (dates) ...*	\$.....
346	TOTAL OUTSTANDING	\$.....

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349
 350 *Interest accrues at the rate of percent per annum.
 351 (6) Except as otherwise provided in this chapter, no lien
 352 may be filed by the association against a condominium unit until
 353 45 ~~30~~ days after the date on which a notice of intent to file a
 354 lien has been delivered to the owner by registered or certified
 355 mail, return receipt requested, ~~and~~ by first-class United States
 356 mail to the owner at his or her last address as reflected in the
 357 association's records and, if such address is not the unit
 358 address, by first-class United States mail to the unit address
 359 ~~of the association, if the address is within the United States,~~
 360 ~~and delivered to the owner at the address of the unit if the~~
 361 ~~owner's address as reflected in the records of the association~~
 362 ~~is not the unit address. If the address reflected in the records~~
 363 ~~is outside the United States, sending the notice to that address~~
 364 ~~and to the unit address by first-class United States mail is~~
 365 ~~sufficient. Delivery of the notice shall be deemed given upon~~
 366 ~~mailing as required by this subsection. The notice must be in~~
 367 ~~substantially the following form:~~

368
 369 NOTICE OF INTENT
 370 TO RECORD A CLAIM OF LIEN

371
 372 RE: Unit of ...(name of association)...

373
 374 The following amounts are currently due on your
 375 account to ...(name of association)..., and must be
 376 paid within 45 ~~30~~ days after your receipt of this
 377 letter. This letter shall serve as the association's

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378 notice of intent to record a Claim of Lien against
 379 your property no sooner than 45 ~~30~~ days after your
 380 receipt of this letter, unless you pay in full the
 381 amounts set forth below:
 382

383	Maintenance due ...(dates)...	\$.....
384	Late fee, if applicable	\$.....
385	Interest through ...(dates)...*	\$.....
386	Certified mail charges	\$.....
387	Other costs	\$.....
388	TOTAL OUTSTANDING	\$.....

389
 390 *Interest accrues at the rate of percent per
 391 annum.

392 Section 4. Paragraphs (a) and (c) of subsection (2) of
 393 section 719.104, Florida Statutes, are amended to read:
 394 719.104 Cooperatives; access to units; records; financial
 395 reports; assessments; purchase of leases.-

396 (2) OFFICIAL RECORDS.-
 397 (a) From the inception of the association, the association
 398 shall maintain a copy of each of the following, where
 399 applicable, which shall constitute the official records of the
 400 association:

- 401 1. The plans, permits, warranties, and other items provided
- 402 by the developer pursuant to s. 719.301(4).
- 403 2. A photocopy of the cooperative documents.
- 404 3. A copy of the current rules of the association.
- 405 4. A book or books containing the minutes of all meetings
- 406 of the association, of the board of directors, and of the unit

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407 owners.

408 5. A current roster of all unit owners and their mailing
 409 addresses, unit identifications, voting certifications, and, if
 410 known, telephone numbers. The association shall also maintain
 411 the e-mail addresses and the numbers designated by unit owners
 412 for receiving notice sent by electronic transmission of those
 413 unit owners consenting to receive notice by electronic
 414 transmission. The e-mail addresses and numbers provided by unit
 415 owners to receive notice by electronic transmission shall be
 416 removed from association records when consent to receive notice
 417 by electronic transmission is revoked. However, the association
 418 is not liable for an erroneous disclosure of the e-mail address
 419 or the number for receiving electronic transmission of notices.

420 6. All current insurance policies of the association.

421 7. A current copy of any management agreement, lease, or
 422 other contract to which the association is a party or under
 423 which the association or the unit owners have an obligation or
 424 responsibility.

425 8. Bills of sale or transfer for all property owned by the
 426 association.

427 9. Accounting records for the association and separate
 428 accounting records for each unit it operates, according to good
 429 accounting practices. The accounting records shall include, but
 430 not be limited to:

431 a. Accurate, itemized, and detailed records of all receipts
 432 and expenditures.

433 b. A current account and a monthly, bimonthly, or quarterly
 434 statement of the account for each unit designating the name of
 435 the unit owner, the due date and amount of each assessment, the

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436 amount paid upon the account, and the balance due.

437 c. All audits, reviews, accounting statements, and
 438 financial reports of the association.

439 d. All contracts for work to be performed. Bids for work to
 440 be performed shall also be considered official records and shall
 441 be maintained for a period of 1 year.

442 10. Ballots, sign-in sheets, voting proxies, and all other
 443 papers and electronic records relating to voting by unit owners,
 444 which shall be maintained for a period of 1 year after the date
 445 of the election, vote, or meeting to which the document relates.

446 11. All rental records where the association is acting as
 447 agent for the rental of units.

448 12. A copy of the current question and answer sheet as
 449 described in s. 719.504.

450 13. All affirmative acknowledgments made pursuant to s.
 451 719.108(3)(b)3.

452 14. All other written records of the association not
 453 specifically included in the foregoing which are related to the
 454 operation of the association.

455 (c) The official records of the association are open to
 456 inspection by any association member or the authorized
 457 representative of such member at all reasonable times. The right
 458 to inspect the records includes the right to make or obtain
 459 copies, at the reasonable expense, if any, of the association
 460 member. The association may adopt reasonable rules regarding the
 461 frequency, time, location, notice, and manner of record
 462 inspections and copying. The failure of an association to
 463 provide the records within 10 working days after receipt of a
 464 written request creates a rebuttable presumption that the

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465 association willfully failed to comply with this paragraph. A
 466 unit owner who is denied access to official records is entitled
 467 to the actual damages or minimum damages for the association's
 468 willful failure to comply. The minimum damages are \$50 per
 469 calendar day for up to 10 days, beginning on the 11th working
 470 day after receipt of the written request. The failure to permit
 471 inspection entitles any person prevailing in an enforcement
 472 action to recover reasonable attorney fees from the person in
 473 control of the records who, directly or indirectly, knowingly
 474 denied access to the records. Any person who knowingly or
 475 intentionally defaces or destroys accounting records that are
 476 required by this chapter to be maintained during the period for
 477 which such records are required to be maintained, or who
 478 knowingly or intentionally fails to create or maintain
 479 accounting records that are required to be created or
 480 maintained, with the intent of causing harm to the association
 481 or one or more of its members, is personally subject to a civil
 482 penalty pursuant to s. 719.501(1)(d). The association shall
 483 maintain an adequate number of copies of the declaration,
 484 articles of incorporation, bylaws, and rules, and all amendments
 485 to each of the foregoing, as well as the question and answer
 486 sheet as described in s. 719.504 and year-end financial
 487 information required by the department, on the cooperative
 488 property to ensure their availability to unit owners and
 489 prospective purchasers, and may charge its actual costs for
 490 preparing and furnishing these documents to those requesting the
 491 same. An association shall allow a member or his or her
 492 authorized representative to use a portable device, including a
 493 smartphone, tablet, portable scanner, or any other technology

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494 capable of scanning or taking photographs, to make an electronic
 495 copy of the official records in lieu of the association
 496 providing the member or his or her authorized representative
 497 with a copy of such records. The association may not charge a
 498 member or his or her authorized representative for the use of a
 499 portable device. Notwithstanding this paragraph, the following
 500 records shall not be accessible to unit owners:

501 1. Any record protected by the lawyer-client privilege as
 502 described in s. 90.502 and any record protected by the work-
 503 product privilege, including any record prepared by an
 504 association attorney or prepared at the attorney's express
 505 direction which reflects a mental impression, conclusion,
 506 litigation strategy, or legal theory of the attorney or the
 507 association, and which was prepared exclusively for civil or
 508 criminal litigation or for adversarial administrative
 509 proceedings, or which was prepared in anticipation of such
 510 litigation or proceedings until the conclusion of the litigation
 511 or proceedings.

512 2. Information obtained by an association in connection
 513 with the approval of the lease, sale, or other transfer of a
 514 unit.

515 3. Personnel records of association or management company
 516 employees, including, but not limited to, disciplinary, payroll,
 517 health, and insurance records. For purposes of this
 518 subparagraph, the term "personnel records" does not include
 519 written employment agreements with an association employee or
 520 management company, or budgetary or financial records that
 521 indicate the compensation paid to an association employee.

522 4. Medical records of unit owners.

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523 5. Social security numbers, driver license numbers, credit
 524 card numbers, e-mail addresses, telephone numbers, facsimile
 525 numbers, emergency contact information, addresses of a unit
 526 owner other than as provided to fulfill the association's notice
 527 requirements, and other personal identifying information of any
 528 person, excluding the person's name, unit designation, mailing
 529 address, property address, and any address, e-mail address, or
 530 facsimile number provided to the association to fulfill the
 531 association's notice requirements. Notwithstanding the
 532 restrictions in this subparagraph, an association may print and
 533 distribute to unit ~~parcel~~ owners a directory containing the
 534 name, unit ~~parcel~~ address, and all telephone numbers of each
 535 unit ~~parcel~~ owner. However, an owner may exclude his or her
 536 telephone numbers from the directory by so requesting in writing
 537 to the association. An owner may consent in writing to the
 538 disclosure of other contact information described in this
 539 subparagraph. The association is not liable for the inadvertent
 540 disclosure of information that is protected under this
 541 subparagraph if the information is included in an official
 542 record of the association and is voluntarily provided by an
 543 owner and not requested by the association.

544 6. Electronic security measures that are used by the
 545 association to safeguard data, including passwords.

546 7. The software and operating system used by the
 547 association which allow the manipulation of data, even if the
 548 owner owns a copy of the same software used by the association.
 549 The data is part of the official records of the association.

550 8. All affirmative acknowledgments made pursuant to s.
 551 719.108(3)(b)3.

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552 Section 5. Subsections (3) and (4) of section 719.108,
 553 Florida Statutes, are amended to read:

554 719.108 Rents and assessments; liability; lien and
 555 priority; interest; collection; cooperative ownership.—

556 (3) (a) Rents and assessments, and installments on them, not
 557 paid when due bear interest at the rate provided in the
 558 cooperative documents from the date due until paid. This rate
 559 may not exceed the rate allowed by law and, if a rate is not
 560 provided in the cooperative documents, accrues at 18 percent per
 561 annum. If the cooperative documents or bylaws so provide, the
 562 association may charge an administrative late fee in addition to
 563 such interest, not to exceed the greater of \$25 or 5 percent of
 564 each installment of the assessment for each delinquent
 565 installment that the payment is late. Any payment received by an
 566 association must be applied first to any interest accrued by the
 567 association, then to any administrative late fee, then to any
 568 costs and reasonable attorney fees incurred in collection, and
 569 then to the delinquent assessment. The foregoing applies
 570 notwithstanding s. 673.3111, any purported accord and
 571 satisfaction, or any restrictive endorsement, designation, or
 572 instruction placed on or accompanying a payment. The preceding
 573 sentence is intended to clarify existing law. A late fee is not
 574 subject to chapter 687 or s. 719.303(4).

575 (b)1. The association must deliver a unit's statement of
 576 the account described in s. 719.104(2)(a)9.b. to the unit owner
 577 by first-class United States mail or by electronic transmission
 578 to the unit owner's e-mail address maintained in the
 579 association's official records.

580 2. Before changing the method of delivery for the statement

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581 of the account, the association must deliver a written notice of
 582 such change to each unit owner. The written notice must be
 583 delivered to the unit owner at least 30 days before the
 584 association sends the statement of the account by the new
 585 delivery method. The notice must be sent by first-class United
 586 States mail to the unit owner at his or her last address as
 587 reflected in the association's records and, if such address is
 588 not the unit address, must be sent by first-class United States
 589 mail to the unit address. Notice is deemed to have been given
 590 upon mailing as required by this subparagraph.

591 3. A unit owner must affirmatively acknowledge his or her
 592 understanding that the association will change its method of
 593 delivery of the statement of the account before the association
 594 may change the method of delivering the statement of the
 595 account. The unit owner may make the affirmative acknowledgment
 596 electronically or in writing.

597 (c) An association may not require payment of attorney fees
 598 related to a past due assessment without first delivering a
 599 written notice of late assessment to the owner which specifies
 600 the amount owed the association and provides the unit owner an
 601 opportunity to pay the amount owed without the assessment of
 602 attorney fees. The notice of late assessment must be sent by
 603 first-class United States mail to the unit owner at his or her
 604 last address as reflected in the association's records and, if
 605 such address is not the unit address, must be sent by first-
 606 class United States mail to the unit address. Notice is deemed
 607 to have been given upon mailing as required by this paragraph.
 608 The notice must be in substantially the following form:
 609

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610 NOTICE OF LATE ASSESSMENT

611
 612 RE: Unit of ...(name of association)...
 613

614 The following amounts are currently due on your
 615 account to ...(name of association)..., and must be
 616 paid within 30 days of the date of this letter. This
 617 letter shall serve as the association's notice to
 618 proceed with further collection action against your
 619 property no sooner than 30 days of the date of this
 620 letter, unless you pay in full the amounts set forth
 621 below:

623	<u>Maintenance due ...(dates)...</u>	<u>\$.....</u>
624	<u>Late fee, if applicable</u>	<u>\$.....</u>
625	<u>Interest through ...(dates)...*</u>	<u>\$.....</u>
626	<u>TOTAL OUTSTANDING</u>	<u>\$.....</u>

627
 628 *Interest accrues at the rate of ... percent per annum.

629 (4) The association has a lien on each cooperative parcel
 630 for any unpaid rents and assessments, plus interest, and any
 631 administrative late fees. If authorized by the cooperative
 632 documents, the lien also secures reasonable attorney fees
 633 incurred by the association incident to the collection of the
 634 rents and assessments or enforcement of such lien. The lien is
 635 effective from and after recording a claim of lien in the public
 636 records in the county in which the cooperative parcel is located
 637 which states the description of the cooperative parcel, the name
 638 of the unit owner, the amount due, and the due dates. Except as

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639 otherwise provided in this chapter, a lien may not be filed by
 640 the association against a cooperative parcel until 45 ~~30~~ days
 641 after the date on which a notice of intent to file a lien has
 642 been delivered to the owner.

643 (a) The notice must be sent to the unit owner at the
 644 address of the unit by first-class United States mail, and the
 645 notice must be in substantially the following form:

646
 647 NOTICE OF INTENT
 648 TO RECORD A CLAIM OF LIEN

649
 650 RE: Unit ...(unit number)... of ...(name of
 651 cooperative)...

652
 653 The following amounts are currently due on your
 654 account to ...(name of association)..., and must be
 655 paid within 45 ~~30~~ days after your receipt of this
 656 letter. This letter shall serve as the association's
 657 notice of intent to record a Claim of Lien against
 658 your property no sooner than 45 ~~30~~ days after your
 659 receipt of this letter, unless you pay in full the
 660 amounts set forth below:

661

662	Maintenance due ...(dates)...	\$.....
663	Late fee, if applicable	\$.....
664	Interest through ...(dates)*	\$.....
665	Certified mail charges	\$.....
666	Other costs	\$.....
667	TOTAL OUTSTANDING	\$.....

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668
 669 *Interest accrues at the rate of percent per
 670 annum.

671 1. If the most recent address of the unit owner on the
 672 records of the association is the address of the unit, the
 673 notice must be sent by certified mail, return receipt requested,
 674 to the unit owner at the address of the unit.

675 2. If the most recent address of the unit owner on the
 676 records of the association is in the United States, but is not
 677 the address of the unit, the notice must be sent by certified
 678 mail, return receipt requested, to the unit owner at his or her
 679 most recent address.

680 3. If the most recent address of the unit owner on the
 681 records of the association is not in the United States, the
 682 notice must be sent by first-class United States mail to the
 683 unit owner at his or her most recent address.

684 (b) A notice that is sent pursuant to this subsection is
 685 deemed delivered upon mailing. A claim of lien must be executed
 686 and acknowledged by an officer or authorized agent of the
 687 association. The lien is not effective 1 year after the claim of
 688 lien was recorded unless, within that time, an action to enforce
 689 the lien is commenced. The 1-year period is automatically
 690 extended for any length of time during which the association is
 691 prevented from filing a foreclosure action by an automatic stay
 692 resulting from a bankruptcy petition filed by the parcel owner
 693 or any other person claiming an interest in the parcel. The
 694 claim of lien secures all unpaid rents and assessments that are
 695 due and that may accrue after the claim of lien is recorded and
 696 through the entry of a final judgment, as well as interest and

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697 all reasonable costs and attorney fees incurred by the
698 association incident to the collection process. Upon payment in
699 full, the person making the payment is entitled to a
700 satisfaction of the lien.

701 (c) By recording a notice in substantially the following
702 form, a unit owner or the unit owner's agent or attorney may
703 require the association to enforce a recorded claim of lien
704 against his or her cooperative parcel:

NOTICE OF CONTEST OF LIEN

708 TO: ...(Name and address of association)...:

709
710 You are notified that the undersigned contests the
711 claim of lien filed by you on, ...(year)..., and
712 recorded in Official Records Book at Page,
713 of the public records of County, Florida, and
714 that the time within which you may file suit to
715 enforce your lien is limited to 90 days from the date
716 of service of this notice. Executed this day of
717, ...(year)....

718 Signed: ...(Owner or Attorney)...

719
720 After notice of contest of lien has been recorded, the clerk of
721 the circuit court shall mail a copy of the recorded notice to
722 the association by certified mail, return receipt requested, at
723 the address shown in the claim of lien or most recent amendment
724 to it and shall certify to the service on the face of the
725 notice. Service is complete upon mailing. After service, the

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726 association has 90 days in which to file an action to enforce
727 the lien. If the action is not filed within the 90-day period,
728 the lien is void. However, the 90-day period shall be extended
729 for any length of time during which the association is prevented
730 from filing its action because of an automatic stay resulting
731 from the filing of a bankruptcy petition by the unit owner or by
732 any other person claiming an interest in the parcel.

733 (d) A release of lien must be in substantially the
734 following form:

RELEASE OF LIEN

737
738 The undersigned lienor, in consideration of the final payment in
739 the amount of \$...., hereby waives and releases its lien and
740 right to claim a lien for unpaid assessments through,
741 ...(year)..., recorded in the Official Records Book at Page
742, of the public records of County, Florida, for the
743 following described real property:

744
745 THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO.
746 OF ...(NAME OF COOPERATIVE)..., A COOPERATIVE AS SET
747 FORTH IN THE COOPERATIVE DOCUMENTS AND THE EXHIBITS
748 ANNEXED THERETO AND FORMING A PART THEREOF, RECORDED
749 IN OFFICIAL RECORDS BOOK, PAGE, OF THE
750 PUBLIC RECORDS OF COUNTY, FLORIDA.

751
752 ...(Signature of Authorized Agent)... ...(Signature of
753 Witness)...

754 ...(Print Name)... ...(Print Name)...

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813 charged for records requests that result in the copying of 25 or
 814 fewer pages. The association may charge up to 25 cents per page
 815 for copies made on the association's photocopier. If the
 816 association does not have a photocopy machine available where
 817 the records are kept, or if the records requested to be copied
 818 exceed 25 pages in length, the association may have copies made
 819 by an outside duplicating service and may charge the actual cost
 820 of copying, as supported by the vendor invoice. The association
 821 shall maintain an adequate number of copies of the recorded
 822 governing documents, to ensure their availability to members and
 823 prospective members. Notwithstanding this paragraph, the
 824 following records are not accessible to members or parcel
 825 owners:

826 1. Any record protected by the lawyer-client privilege as
 827 described in s. 90.502 and any record protected by the work-
 828 product privilege, including, but not limited to, a record
 829 prepared by an association attorney or prepared at the
 830 attorney's express direction which reflects a mental impression,
 831 conclusion, litigation strategy, or legal theory of the attorney
 832 or the association and which was prepared exclusively for civil
 833 or criminal litigation or for adversarial administrative
 834 proceedings or which was prepared in anticipation of such
 835 litigation or proceedings until the conclusion of the litigation
 836 or proceedings.

837 2. Information obtained by an association in connection
 838 with the approval of the lease, sale, or other transfer of a
 839 parcel.

840 3. Personnel records of association or management company
 841 employees, including, but not limited to, disciplinary, payroll,

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842 health, and insurance records. For purposes of this
 843 subparagraph, the term "personnel records" does not include
 844 written employment agreements with an association or management
 845 company employee or budgetary or financial records that indicate
 846 the compensation paid to an association or management company
 847 employee.

848 4. Medical records of parcel owners or community residents.

849 5. Social security numbers, driver license numbers, credit
 850 card numbers, electronic mailing addresses, telephone numbers,
 851 facsimile numbers, emergency contact information, any addresses
 852 for a parcel owner other than as provided for association notice
 853 requirements, and other personal identifying information of any
 854 person, excluding the person's name, parcel designation, mailing
 855 address, and property address. Notwithstanding the restrictions
 856 in this subparagraph, an association may print and distribute to
 857 parcel owners a directory containing the name, parcel address,
 858 and all telephone numbers of each parcel owner. However, an
 859 owner may exclude his or her telephone numbers from the
 860 directory by so requesting in writing to the association. An
 861 owner may consent in writing to the disclosure of other contact
 862 information described in this subparagraph. The association is
 863 not liable for the disclosure of information that is protected
 864 under this subparagraph if the information is included in an
 865 official record of the association and is voluntarily provided
 866 by an owner and not requested by the association.

867 6. Any electronic security measure that is used by the
 868 association to safeguard data, including passwords.

869 7. The software and operating system used by the
 870 association which allows the manipulation of data, even if the

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871 owner owns a copy of the same software used by the association.
 872 The data is part of the official records of the association.

873 8. All affirmative acknowledgments made pursuant to s.
 874 720.3085(3)(c)3.

875 Section 7. Paragraphs (c) and (d) are added to subsection
 876 (3) of section 720.3085, Florida Statutes, to read:

877 720.3085 Payment for assessments; lien claims.—

878 (3) Assessments and installments on assessments that are
 879 not paid when due bear interest from the due date until paid at
 880 the rate provided in the declaration of covenants or the bylaws
 881 of the association, which rate may not exceed the rate allowed
 882 by law. If no rate is provided in the declaration or bylaws,
 883 interest accrues at the rate of 18 percent per year.

884 (c)1. The association must deliver a parcel owner's
 885 periodic statement of the account described in s.
 886 720.303(4)(j)2. to the parcel owner by first-class United States
 887 mail or by electronic transmission to the parcel owner's e-mail
 888 address maintained in the association's official records.

889 2. Before changing the method of delivery for the statement
 890 of the account, the association must deliver a written notice
 891 such change to each parcel owner. The written notice must be
 892 delivered to the parcel owner at least 30 days before the
 893 association sends the statement of the account by the new
 894 delivery method. The notice must be sent by first-class United
 895 States mail to the owner at his or her last address as reflected
 896 in the association's records and, if such address is not the
 897 parcel address, must be sent by first-class United States mail
 898 to the parcel address. Notice is deemed to have been given upon
 899 mailing as required by this subparagraph.

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900 3. A parcel owner must affirmatively acknowledge his or her
 901 understanding that the association will change its method of
 902 delivery of the statement of the account before the association
 903 may change the method of delivering the statement of the
 904 account. The parcel owner may make the affirmative
 905 acknowledgment electronically or in writing.

906 (d) An association may not require payment of attorney fees
 907 related to a past due assessment without first delivering a
 908 written notice of late assessment to the parcel owner which
 909 specifies the amount owed the association and provides the
 910 parcel owner an opportunity to pay the amount owed without the
 911 assessment of attorney fees. The notice of late assessment must
 912 be sent by first-class United States mail to the owner at his or
 913 her last address as reflected in the association's records and,
 914 if such address is not the parcel address, must be sent by
 915 first-class United States mail to the parcel address. Notice is
 916 deemed to have been given upon mailing as required by this
 917 paragraph. The notice must be in substantially the following
 918 form:

919 NOTICE OF LATE ASSESSMENT

920 RE: Parcel of ...(name of association)...

921

922 The following amounts are currently due on your
 923 account to ...(name of association)..., and must be
 924 paid within 30 days after the date of this letter.
 925 This letter shall serve as the association's notice to
 926 proceed with further collection action against your
 927 account.
 928

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929 property no sooner than 30 days after the date of this
930 letter, unless you pay in full the amounts set forth
931 below:
932
933 Maintenance due ... (dates) ... \$.....
934 Late fee, if applicable \$.....
935 Interest through ... (dates) ...* \$.....
936 TOTAL OUTSTANDING \$.....

937
938 *Interest accrues at the rate of percent per annum.
939 Section 8. This act shall take effect July 1, 2021.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/26/17
Meeting Date

56
Bill Number (if applicable)

Topic Pre Lien Notices

Amendment Barcode (if applicable)

Name Mark Anderson

Job Title Lobbyist

Address 110 S. Monroe #1
Street

Phone 813-205-0658

Tallahassee FL 32301
City State Zip

Email Mark@consultanderson.com

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Chief Executive Officers of Management Companies

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



The Florida Senate

Committee Agenda Request

To: Senator Travis Hutson, Chair
Committee on Regulated Industries

Subject: Committee Agenda Request

Date: January 13, 2021

I respectfully request that **Senate Bill #56**, relating to Community Association Assessment Notices, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in black ink, appearing to read "Ana Maria Rodriguez".

Senator Ana Maria Rodriguez
Florida Senate, District 39

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Regulated Industries

BILL: CS/SB 46

INTRODUCER: Regulated Industries Committee and Senator Hutson

SUBJECT: Craft Distilleries

DATE: January 27, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	_____	_____	<u>CM</u>	_____
3.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 46 revises the licensing requirements for craft distilleries. It creates s. 565.02(12), F.S., to provide a quota license exemption for certain craft distilleries to qualify for a vendor's license. The bill:

- Allows a craft distillery located in a destination entertainment venue (DEV), as defined by the bill, to qualify for a vendor's license for the sale of beer, wine, and liquor to consumers, including alcoholic beverage products from other manufacturers.
- Requires a DEV to have an indoor event capacity of at least 150 persons and an outdoor event capacity of at least 1,000 persons.
- Limits the number of craft distilleries that may be licensed as a vendor in a community redevelopment area (CRA) to no more than three craft distilleries, but the craft distilleries must be located in the same DEV, must share identical ownership, and must each produce at least 50,000 gallons per calendar year.
- Requires the DEV to be owned by a person with an identical ownership interest in the craft distilleries located within the DEV.
- Prohibits a craft distillery licensed as a vendor from making package sales for off-premises consumption and making deliveries or shipments of alcoholic beverages, unless the shipment or delivery is authorized for craft distilleries that are not licensed as a vendor. (Current law and the bill permit a craft distillery to sell its own distilled spirits to consumers for off-premises consumption.)
- Clarifies that alcoholic beverages not manufactured at the craft distillery must be obtained through a distributor.

The bill amends the craft distillery requirements in s. 565.03, F.S., to:

- Increase the production limit to qualify as a craft distillery from 75,000 gallons per calendar year to 250,000 gallons per calendar year.
- Limit the amount of distilled spirits that may be transferred to the craft distillery's souvenir gift shop for sale to consumers to 75,000 gallons per calendar year.
- Effective July 1, 2026, require that a minimum of 60 percent of the craft distillery's total branded products must be distilled in this state and contain one or more Florida agricultural products.
- Allow a maximum of 10 craft distilleries licenses under common ownership, consisting of four with a production cap of 250,000 gallons and six with a production cap of 50,000 gallons. "Common ownership" is defined to mean "having a direct or indirect financial interest in two or more distilleries by the same person."
- Permit craft distilleries to sell distilled spirits manufactured on the premises to consumers by the drink or by package.
- Clarify that craft distilleries may only sell directly to consumers in face-to-face transactions.
- Repeal the six individual container limit on sales of each of the craft distillery's branded products to a consumer at a craft distillery's souvenir gift shop.
- Prohibit craft distilleries from shipping alcoholic beverages to consumers.

The bill allows craft distilleries to qualify for a permit to conduct tastings at Florida fairs, trade shows, farmers markets, expositions, and festivals.

The bill provides an effective date of July 1, 2021.

II. Present Situation:

Division of Alcoholic Beverages and Tobacco

The Division of Alcoholic Beverages and Tobacco (division) within the Department of Business and Professional Regulation administers and enforces¹ the Beverage Law,² which regulates the manufacture, distribution, and sale of wine, beer, and liquor.³ The division is also responsible for the administration and enforcement of tobacco products under ch. 569, F.S.

Three-Tier System

In the United States, the regulation of alcohol since the repeal of Prohibition has traditionally been based upon a "three-tier system." The system requires separation of the manufacture, distribution, and sale of alcoholic beverages. The manufacturer creates the beverages. The distributor obtains the beverages from the manufacturer and delivers them to the vendor. The vendor (retailer) makes the ultimate sale to the consumer. Manufacturers and distributors may not sell directly to retailers or directly to consumers.

¹ Section 561.02, F.S.

² Section 561.01(6), F.S., provides that the "Beverage Law" means chs. 561, 562, 563, 564, 565, 567, and 568, F.S.

³ See s. 561.14, F.S.

Generally, Florida follows the three-tier system. Only licensed vendors are permitted to sell alcoholic beverages directly to consumers at retail.⁴ Licensed manufacturers, distributors, and registered exporters are prohibited from also being licensed as vendors.⁵ Manufacturers are also generally prohibited from having an interest in a vendor and from distributing directly to a vendor.⁶

Tied House Evil Prohibitions

The system is deeply rooted in the perceived evils of the “tied house” in which a bar is owned or operated by a manufacturer or the manufacturer exercises undue influence over the retail vendor.⁷ Activities are heavily regulated to prevent a manufacturer or distributor from having a financial interest, directly or indirectly, in the establishment or business of a licensed vendor.

Three-Tier System Exceptions

Exceptions to the three-tier regulatory system permit in-state wineries,⁸ breweries,⁹ and craft distilleries to sell directly to consumers.¹⁰ Restaurants licensed as vendors (brew pubs) may manufacture a limited quantity of malt beverages and sell directly to consumers for consumption on the licensed premises of the restaurant.¹¹

A winery, even if licensed as a distributor,¹² may be licensed as a vendor for a licensed premises situated on property contiguous to the manufacturing premises of the winery. A winery may not be issued more than three vendor licenses.¹³

Quota Licenses

Section 561.20, F.S., limits, by county, the number of alcoholic beverage licenses that may be issued that permit the sale of liquor (distilled spirits), to one license per 7,500 residents within the county. These limited alcoholic beverage licenses are known as “quota” licenses. New quota licenses are created and issued when there is an increase in the population of a county. The licenses can also be issued when a county initially changes from a county which does not permit the sale of intoxicating liquor to one that does permit their sale. The quota license is the only alcoholic beverage license that is limited in number; all other types of alcoholic beverage licenses are available without limitation. A person, firm, or corporation may not have an interest, directly or indirectly, in more than 30 percent of the number of quota licenses in a county.¹⁴

⁴ Section 561.14(3), F.S. However, see the exceptions provided in ss. 561.221 and 565.03, F.S.

⁵ Section 561.22, F.S.

⁶ Sections 563.022(14) and 561.14(1), F.S.

⁷ Jessica C. Starns, *The Dangers of Common Ownership in an Uncommon Industry, Alcohol Policy in America and the Timeless Relevance of Tied-House Restrictions*, (2017) available at: <https://www.centerforalcoholpolicy.org/wp-content/uploads/2017/03/The-Dangers-of-Common-Ownership-in-an-Uncommon-Industry.pdf> (last visited Jan. 19, 2021).

⁸ See s. 561.221(1), F.S.

⁹ See s. 561.221(2), F.S.

¹⁰ See s. 565.03, F.S.

¹¹ See s. 561.221(3), F.S.

¹² Section 561.14(1), F.S., permits manufacturers to distribute at wholesale to licensed distributors and to no one else within the state, unless authorized by statute.

¹³ See s. 561.221(1), F.S.

¹⁴ Section 561.20(6), F.S.

Quota License Exceptions

Current law permits certain types of businesses or persons to be licensed sell beer, wine, and liquor without any limitation on the number of such licenses which may be issued in a county, i.e., such licenses are not subject to the quota in s. 561.20, F.S. Quota license exceptions are known as “special licenses.”

Section 561.20(2), F.S., provides several exceptions to the number of licenses that permit the sale of beer, wine, and distilled spirits. The exceptions include restaurants, caterers, hotels and motels, specialty centers built on government-owned land, bowling establishments, and airports.

The Beverage Law provides a limited exception to the quota license limitation to permit the division to issue an alcoholic beverage license (for the sale of beer, wine, and liquor) to:

- An operator of railroads or sleeping cars and a vendor in railroad transit stations.¹⁵
- Operators of steamships and steamship lines, buses and bus lines, or airplanes and airlines engaged in interstate or foreign commerce or plying between fixed terminals and upon fixed schedules in this state.¹⁶
- Persons associated together as a chartered or incorporated club, if not organized for the purpose of evading license taxes and meeting certain conditions, including any golf club operated by or on behalf of any incorporated municipality in this state, and any veterans' or fraternal organization of national scope.¹⁷
- A caterer at a horse or dog racetrack or jai alai fronton.¹⁸
- A vendor who operates places of business where consumption on the premises is permitted, which premises are located within a theme park complex and meeting specified conditions.¹⁹
- A marine exhibition park complex meeting specified conditions.²⁰
- A state-chartered legal entity not for profit organized principally for the purpose of supporting or managing the affairs of a symphony orchestra.²¹
- The operator of a passenger vessel engaged exclusively in foreign commerce.²²
- A state-chartered legal entity not for profit organized principally for the purpose of operating a theater with live performances and not fewer than 100 seats.²³
- The John and Mable Ringling Museum of Art direct-support organization.²⁴

Distilleries and Craft Distilleries

Section 565.01, F.S., defines the terms “liquor,” “distilled spirits,” “spirituous liquors,” “spirituous beverages,” or “distilled spirituous liquors” to mean “that substance known as ethyl alcohol, ethanol, or spirits of wine in any form, including all dilutions and mixtures thereof from whatever source or by whatever process produced.”

¹⁵ Section 565.02(2), F.S.

¹⁶ Section 565.02(3), F.S.

¹⁷ Section 565.02(4), F.S.

¹⁸ Section 565.02(5), F.S.

¹⁹ Section 565.02(6), F.S.

²⁰ Section 565.02(7), F.S.

²¹ Section 565.02(8), F.S.

²² Section 565.02(9), F.S.

²³ Section 565.02(10), F.S.

²⁴ Section 565.02(11), F.S.

A “distillery” is a manufacturer of distilled spirits,²⁵ and a “craft distillery” is a licensed distillery that produces 75,000 or fewer gallons of distilled spirits per calendar year on its premises. A distillery must notify the division in writing of its decision to qualify as a craft distillery.²⁶

All distilleries engaged solely in the business of manufacturing distilled spirits, or engaged in the business of blending and rectifying²⁷ distilled spirits, must pay a state license tax for each plant or branch operating in Florida. Distilleries pay \$4,000 annually for the license tax and craft distilleries pay \$1,000. Persons who engage in the business of distilling spirits may also rectify and blend spirituous liquors without paying an additional license tax.²⁸

Retail Sales by Craft Distilleries

A craft distillery is allowed to sell to consumers branded products²⁹ distilled on the licensed premises. The products must be in factory-sealed containers that are filled at the distillery and sold for off-premises consumption.³⁰ The sales must occur at the distillery’s souvenir gift shop located on private property contiguous to the licensed distillery premises.³¹ The craft distillery is not required to obtain, in addition to its manufacturer’s license, a vendor’s license in order to sell distilled spirits to consumers.

A craft distillery must report to the division within five business days after it has reached the 75,000-gallon production limit and cease making sales to consumers on the day after it reaches the production limit.³²

A craft distillery may not ship, arrange to ship, or deliver distilled spirits to consumers, except in a face to face transaction. However, a craft distillery may ship, arrange to ship, or deliver distilled spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state and federal bonded warehouses, and exporters.³³

A craft distillery may not transfer its license or any ownership interest to any individual or entity with a direct or indirect interest in another distillery licensed in any other state, territory, or country.³⁴ However, a craft distillery may be affiliated with another distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises or in any other state, territory, or country.³⁵

²⁵ Section 565.03(1)(c), F.S.

²⁶ Section 565.03(1)(b), F.S.

²⁷ Merriam-Webster defines rectify as the purification (of alcohol) especially by repeated or fractional distillation, *available at* <http://www.merriam-webster.com/dictionary/rectify> (last visited Feb. 11, 2020).

²⁸ Section 565.03(3), F.S.

²⁹ Section 565.03(1)(a), F.S., defines “branded product” to mean “any distilled spirits product manufactured on site, which requires a federal certificate and label approval by the Federal Alcohol Administration Act or federal regulations.”

³⁰ Section 565.03(2)(c), F.S.

³¹ *Id.*

³² Section 565.03(2)(c)3., F.S.

³³ Section 565.03(2)(c)4., F.S.

³⁴ Section 565.03(2)(c)5., F.S.

³⁵ Section 565.03(2)(c)6., F.S.

A craft distillery must submit beverage excise taxes on distilled spirits sold to consumers in its monthly report to the division.³⁶

Declaratory Statement

On January 19, 2018, the division issued a declaratory statement interpreting s. 565.03(2)(c), F.S., to permit a craft distillery to sell to consumers, at its souvenir gift shop, a product comprised of a blend of liquors distilled on the premises of the craft distillery and liquors distilled by other manufacturers away from the premises. The craft distillery may then, at the craft distillery, fill individual containers with the final, blended liquor product for sale at its souvenir gift shop.³⁷ However, a craft distillery may not sell to consumers a product comprised of a blend of only liquors distilled by other manufacturers away from the craft distillery's licensed premises.³⁸

Deliveries by Licensees

Section 561.57(1), F.S., permits an alcoholic beverages vendor to make deliveries away from its place of business for sales made at the licensed place of business. Telephone, electronic, or mail orders received at a vendor's licensed place of business are construed as a sale actually made at the vendor's licensed place of business.³⁹

Deliveries made by a manufacturer, distributor, or a vendor away from its place of business may only be made in vehicles owned or leased by the vendor, or in a third-party vehicle pursuant to a contract with a third party, including, but not limited to, common carriers.

By acceptance of an alcoholic beverage license and the use of vehicles owned by or leased by the vendor, the vendor agrees the vehicle is subject to be inspected and searched without a search warrant by employees of the division or law enforcement officers to ascertain compliance with all provisions of the alcoholic beverage laws.⁴⁰

Common carriers⁴¹ may transport alcoholic beverages.⁴² The recipient's age and identity must be verified at the time of delivery. All deliveries by a licensee or a third-party must comply with s. 562.11, F.S., which prohibits selling, giving, serving, or permitting to be served alcoholic beverages to a person under 21 years of age.⁴³

³⁶ Section 565.03(5), F.S. Section 565.12, F.S., requires manufactures and distributors to pay an excise tax on alcoholic beverages, with the tax rate per gallon depending on the percent of alcohol by volume of the beverage. Section 565.13, F.S., requires every distributor selling spirituous beverages within the state to pay the tax to the division monthly on or before the 10th day of the following month.

³⁷ Final Order on Petition for Declaratory Statement, *In Re: Petition for Declaratory Statement Before the Division Of Alcoholic Beverages and Tobacco, On behalf of Drum Circle Distilling, LLC*, DS 2017-071 (DABT Case No. 2017-052675), January 19, 2018, (on file with Senate Committee on Regulated Industries).

³⁸ *Id.*

³⁹ Section 561.57(1), F.S.

⁴⁰ Section 561.57(2), F.S.

⁴¹ Section 561.01(19), F.S., defines a "common carrier" as "any person, firm, or corporation that undertakes for hire, as a regular business, the transportation of persons or commodities from place to place, offering its services to all who choose to employ it and pay its charges."

⁴² Section 561.57(5), F.S.

⁴³ Section 561.57(6), F.S.

A “permit carrier” is a licensee authorized to make deliveries under s. 561.57, F.S.⁴⁴

Alcoholic Beverage Tastings

Section 561.42(14)(e), F.S., prohibits sampling activities that include the tasting of beer at a vendor’s premises that is licensed for off-premises sales only. This prohibition applies to manufacturers, distributors, importers, brand owners or brand registrants of beer, and their sales agents or sales persons.

Section 564.08, F.S., permits licensed wine distributors and vendors to conduct wine tastings at any licensed premises authorized to sell wine or spirituous beverages by package or for consumption on premises without violating s. 561.42, F.S., provided that the conduct of the wine tasting is limited to and directed toward the general public of the age of legal consumption.

A certified Florida Farm Winery⁴⁵ may be issued a permit by the division to conduct tasting and sales of wine produced by certified Florida Farm Wineries at Florida fairs, trade shows, expositions, and festivals. The certified Florida Farm Winery must pay all entry fees and must have a winery representative present during the event. The permit is limited to the length of the event.⁴⁶

Section 565.17, F.S., permits licensed distributors of spirituous beverages and vendors to conduct spirituous beverage tastings at any licensed premises authorized to sell spirituous beverages by package or for consumption on premises without violating s. 561.42, F.S., provided that the conduct of the spirituous beverage tasting is limited to and directed toward the general public of the age of legal consumption.

Community Redevelopment Areas

The Community Redevelopment Act of 1969 authorizes a county or municipality to create a community redevelopment agency (CRA) as a means of redeveloping slums and blighted areas.⁴⁷ The act defines a “blighted area” as an area in which there are a substantial number of deteriorated structures causing economic distress or endangerment to life or property and two or more of the factors listed in s. 163.340(8), F.S., are present. However, an area may also be classified as blighted if one factor is present and all taxing authorities with jurisdiction over the area agree that the area is blighted by interlocal agreement or by passage of a resolution by the governing bodies.⁴⁸

Either a county or a municipal government may create a CRA. A county or municipality may create a CRA upon the adoption of a finding of necessity and a finding that a CRA is necessary

⁴⁴ Section 561.01(20), F.S.

⁴⁵ Section 599.004, F.S., establishes the Florida Farm Winery Program within the Department of Agriculture and Consumer Services. The requirements for certification include that a winery produce or sell less than 250,000 gallons of wine annually and that 60 percent of the wine produced is made from state agricultural products.

⁴⁶ Section 561.221(1)(b), F.S.

⁴⁷ Chapter 163, F.S., part III.

⁴⁸ Section 163.340(8), F.S.

for carrying out the community redevelopment goals embodied by the act.⁴⁹ A CRA created by a county may only operate within the boundaries of a municipality when the municipality has concurred by resolution with the community redevelopment plan adopted by the county. A CRA created by a municipality may not include more than 80 percent of the municipality if it was created after July 1, 2006.⁵⁰

The act allows the local governing body creating a CRA to choose between two structures for the agency governing board. One option is to appoint a board of commissioners consisting of five to nine members serving four-year terms.⁵¹ The second option is for the local governing body to appoint itself as the agency board of commissioners.⁵² A community redevelopment plan must be in place before a CRA can engage in operations.⁵³

There are currently 222 active community redevelopment agencies in Florida.⁵⁴

III. Effect of Proposed Changes:

The bill creates s. 565.02(12), F.S., to provide a quota license exemption for certain craft distilleries to qualify for a vendor's license for the sale of beer, wine, and liquor. The bill:

- Allows a craft distillery located in a destination entertainment venue (DEV), as defined by the bill, to qualify for a vendor's license for the sale of beer, wine, and liquor to consumers, including alcoholic beverage products from other manufacturers. The DEV must be located in a designated community redevelopment area (CRA).
- Requires a DEV to have an indoor event capacity of at least 150 persons and an outdoor event capacity of at least 1,000 persons.
- Limits the number of craft distilleries that may be licensed as a vendor in a community redevelopment area (CRA) to no more than three craft distilleries, but the craft distilleries must be located in the same DEV, must share identical ownership, and must each produce at least 50,000 gallons per calendar year.
- Requires the DEV to be owned by a person with an identical ownership interest in a craft distillery located within the DEV.
- Prohibits a craft distillery licensed as a vendor from making package sales for off-premises consumption and making deliveries or shipments of alcoholic beverages, unless the shipment or delivery is authorized for craft distilleries that are not licensed as a vendor.
- Clarifies that alcoholic beverages not manufactured at the craft distillery must be obtained through a distributor.

The bill amends the craft distillery requirements in s. 565.03, F.S., to:

- Increase the production limit to qualify as a craft distillery from 75,000 gallons per calendar year to 250,000 gallons per calendar year.

⁴⁹ Section 163.356(1), F.S.

⁵⁰ Section 163.340(10), F.S.

⁵¹ Section 163.356(2), F.S.

⁵² Section 163.357(1)(a), F.S.

⁵³ Section 163.360(1), F.S.

⁵⁴ Dept. of Economic Opportunity, Special District Accountability Program, Official List of Special Districts Online, available at: specialdistrictreports.floridajobs.org/webreports/criteria.aspx (last visited January 23, 2021).

- Limit the amount of distilled spirits that may be transferred to the craft distillery’s souvenir gift shop for sale to consumers to 75,000 gallons per calendar year.
- Effective July 1, 2026, require that a minimum of 60 percent of the craft distillery’s total branded products must be distilled in this state and contain one or more Florida agricultural products.
- Allow a maximum of 10 craft distilleries licenses under common ownership, consisting of four with a production cap of 250,000 gallons and six with a production cap of 50,000 gallons. “Common ownership” is defined to mean “having a direct or indirect financial interest in two or more distilleries by the same person.”
- Permit craft distilleries to sell distilled spirits manufactured on the premises to consumers by the drink or by package.
- Clarify that craft distilleries may only sell directly to consumers in face-to-face transactions.
- Repeal the six individual container limit on sales of each of the craft distillery’s branded products to a consumer at a craft distillery’s souvenir gift shop.
- Prohibit craft distilleries from shipping alcoholic beverages to consumers.

The bill amends s. 565.17, F.S., to allow craft distilleries to qualify for a permit to conduct tastings at Florida fairs, trade shows, farmers markets, expositions, and festivals.

The bill provides an effective date of July 1, 2021.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may increase total sales revenue for craft distilleries by 1) allowing craft distilleries to sell their branded products to consumers by the drink and by 2) repealing the six individual container limit on sales of each of the craft distillery's branded products to a consumer at a craft distillery's souvenir gift shop.

The bill would provide additional sources of revenue for craft distilleries located in a community redevelopment area that qualify for a vendor's license, as specified in the bill.

C. Government Sector Impact:

Tax revenue from the sale of craft distillery products may increase if sales to consumers increase under this bill.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 565.02, 565.03, and 565.17.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Regulated Industries on January 26, 2021:

The committee substitute:

- Deletes the definition of common ownership in the bill and requires any craft distilleries that share ownership in the destination entertainment venue must have identical ownership.
- Requires each distillery in a destination entertainment venue to produce at least 50,000 gallons of liquor each calendar year.
- Deletes the provision providing that other licensed alcoholic vendors may lease a licensed premises within a destination entertainment venue.
- Clarifies that souvenir gift shop and tasting rooms must be located within the state.
- Reinstates current law to clarify that craft distilleries may be affiliated with other craft distilleries in this state, and in other states or countries that do not exceed the production limit at each licensed distillery location.

- Provides an effective date of July 1, 2026 for the requirement that a minimum of 60 percent of the craft distillery's total branded products must be distilled in this state and contain one or more Florida agricultural products.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/26/2021	.	
	.	
	.	
	.	

The Committee on Regulated Industries (Hutson) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

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 others.—
(12) (a) As used in this subsection, the term "destination
entertainment venue" means a venue that:



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11 1. Is located in a designated community redevelopment area
12 authorized under an adopted community redevelopment plan to
13 support urban redevelopment and economic development;

14 2. Is owned by any person licensed as a craft distillery
15 located within the destination entertainment venue;

16 3. Is adjacent to and served by multimodal transportation
17 options, including, at a minimum, bicycle and pedestrian trails
18 included on an adopted city or county trails map and mass
19 transit routes established by a city, county, or regional
20 transportation authority; and

21 4. Is located within a contiguous area of at least 15
22 acres, including associated parking and stormwater requirements
23 as required by local law, regulation, or ordinance, and that
24 contains:

25 a. At least one indoor event venue with a minimum capacity
26 of 150 people which is fully serviced by a connected onsite
27 kitchen;

28 b. At least one outdoor event venue with a minimum capacity
29 of 1,000 people which has regularly occurring live entertainment
30 on a stage that is at least 12 feet deep and 16 feet wide; and

31 c. One or more licensed craft distilleries sharing
32 identical ownership.

33 (b) Notwithstanding any other provisions of the Beverage
34 Law, upon the payment of the appropriate fees, a craft
35 distillery licensed in this state may be licensed as a vendor
36 only for consumption on the premises of alcoholic beverages
37 manufactured by other manufacturers and acquired through a
38 distributor. The issuance of a license under this paragraph is
39 not subject to any quota or limitation, except that the craft



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40 distillery must be:

41 1. Located on property within a destination entertainment
42 venue; and

43 2. In operation and open for tours during normal business
44 hours at least 5 days a week.

45 (c) The vendor license may be issued only for the premises
46 included on the licensed premises sketch on file with the
47 division under s. 565.03 for the craft distillery, including its
48 souvenir gift shop or tasting room.

49 (d) No more than three craft distilleries may be licensed
50 as a vendor in a community redevelopment area under this
51 subsection. Craft distilleries licensed as a vendor under this
52 subsection must be located within the same destination
53 entertainment venue and must share identical ownership, and each
54 craft distillery must distill, blend, or rectify at least 50,000
55 gallons of branded products per calendar year.

56 (e) Except as otherwise provided in this paragraph, a craft
57 distillery licensed as a vendor under this subsection shall be
58 treated as a vendor and is subject to all provisions relating to
59 such vendors licensed to sell alcoholic beverages for
60 consumption on premises. A craft distillery licensed as a vendor
61 may not make package sales for off-premises consumption or make
62 any delivery or shipment of alcoholic beverages away from the
63 destination entertainment venue or the craft distillery, unless
64 such shipment or delivery is authorized for a craft distillery
65 under s. 565.03.

66 (f) Alcoholic beverages manufactured by another licensed
67 manufacturer, including branded products manufactured at another
68 craft distillery location sharing identical ownership, must be



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69 obtained through a licensed distributor.

70 Section 2. Paragraphs (a) and (b) of subsection (1) and
71 subsections (2) and (5) of section 565.03, Florida Statutes, are
72 amended to read:

73 565.03 License fees; manufacturers, distributors, brokers,
74 sales agents, and importers of alcoholic beverages; vendor
75 licenses and fees; distilleries and craft distilleries.-

76 (1) As used in this section, the term:

77 (a) "Branded product" means any distilled spirits product
78 that:

79 1. Is owned by a craft distillery;

80 2. Contains distilled spirits that are manufactured by
81 distilling, rectifying, or blending by the craft distillery on
82 its licensed premises; and

83 3. Has manufactured on site, which requires a federal
84 certificate and label approval by the Federal Government Alcohol
85 Administration Act or federal regulations.

86 (b) "Craft distillery" means a licensed distillery in this
87 state which distills, rectifies, or blends 250,000 that produces
88 75,000 or fewer gallons or less of distilled spirits per
89 calendar year of distilled spirits on its premises and has
90 notified the division in writing of its decision to qualify as a
91 craft distillery.

92 (2) (a) A distillery may not operate as a craft distillery
93 until the distillery has provided to the division written
94 notification that it meets the criteria specified in paragraph
95 (1) (b). Upon the division's receipt of the notification and its
96 verification that the distillery meets all such criteria, the
97 division shall add the designation of craft distiller on the



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98 distillery's license.

99 (b) A person may not share common ownership in more than 10
100 craft distilleries, provided that no more than:

101 1. Four of the distilleries each distill, rectify, or blend
102 250,000 gallons or less of distilled spirits per calendar year;
103 and

104 2. Six of the distilleries each distill, rectify, or blend
105 50,000 gallons or less of distilled spirits per calendar year.

106
107 As used in this paragraph, the term "common ownership" means
108 having a direct or indirect financial interest in two or more
109 distilleries by the same person.

110 (c) Effective July 1, 2026, a minimum of 60 percent of a
111 craft distillery's total finished branded products must be
112 distilled in this state and contain one or more Florida
113 agricultural products.

114 (d) A distillery or a craft distillery authorized to do
115 business under the Beverage Law shall pay an annual state
116 license tax for each plant or branch operating in the state, as
117 follows:

118 1. A distillery engaged in the business of manufacturing
119 distilled spirits: \$4,000.

120 2. A craft distillery engaged in the business of
121 manufacturing distilled spirits: \$1,000.

122 3. A person engaged in the business of rectifying and
123 blending spirituous liquors and nothing else: \$4,000.

124 (e) ~~(b)~~ A licensed distillery or licensed craft distillery
125 may ~~Persons licensed under this section who are in the business~~
126 ~~of distilling spirituous liquors may also engage in the business~~



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127 of rectifying or ~~and~~ blending spirituous liquors without the
128 payment of an additional license tax.

129 ~~(f)(e)~~ A craft distillery ~~licensed under this section~~ may
130 sell directly to consumers up to 75,000 gallons per calendar
131 year of, ~~at its souvenir gift shop,~~ branded products that are
132 manufactured by the craft distillery distilled on its premises.
133 A craft distillery may sell branded products directly to
134 consumers by the drink for consumption on the premises or by the
135 package in factory-sealed containers for consumption off the
136 premises in this state in factory-sealed containers that are
137 filled at the distillery for off-premises consumption. Such
138 sales are authorized only in the craft distillery's souvenir
139 gift shop or tasting room located on private property contiguous
140 to the licensed ~~distillery~~ premises. Branded products sold to
141 consumers must have been distilled, rectified, or blended on the
142 distillery premises that is located contiguous to the craft
143 distillery's souvenir gift shop or tasting room. The souvenir
144 gift shop or tasting room must be in this state and included on
145 the sketch or diagram defining the licensed premises submitted
146 with the distillery's license application. All sketch or diagram
147 revisions by the distillery shall require the division's
148 approval verifying that the locations of the souvenir gift shops
149 and tasting rooms ~~shop location~~ operated by the licensed
150 distillery are ~~is~~ owned or leased by the distillery and on
151 property contiguous to the distillery's production building in
152 this state.

153 1. Except as authorized under s. 565.17(2), a craft
154 distillery may not sell any factory-sealed individual containers
155 of spirits to consumers except in face-to-face sales



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156 transactions with such consumers at the craft distillery's
157 licensed premises. Such branded products must be in compliance
158 with the container limits under s. 565.10 and be intended for
159 personal consumption rather than for resale ~~who are making a~~
160 ~~purchase of no more than six individual containers of each~~
161 ~~branded product.~~

162 ~~2. Each container sold in face to face transactions with~~
163 ~~consumers must comply with the container limits in s. 565.10,~~
164 ~~per calendar year for the consumer's personal use and not for~~
165 ~~resale and who are present at the distillery's licensed premises~~
166 ~~in this state.~~

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

174 ~~3.4.~~ A craft distillery may not ship or arrange to ship any
175 of its branded products or any other alcoholic beverages
176 ~~distilled spirits~~ to consumers and may sell and deliver only to
177 consumers within the state in a face-to-face transaction at the
178 distillery property. However, a craft distillery ~~distiller~~
179 licensed under this section may ship, arrange to ship, or
180 deliver such spirits to any manufacturers of distilled spirits,
181 wholesale distributors of distilled spirits, state or federal
182 bonded warehouses, or ~~and~~ exporters.

183 ~~4.5.~~ Except as provided in subparagraph 5. ~~subparagraph 6.,~~
184 it is unlawful to transfer a craft distillery license ~~for a~~



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185 ~~distillery that produces 75,000 or fewer gallons per calendar~~
186 ~~year of distilled spirits on its premises~~ or any ownership
187 interest in such license to an individual or entity that has a
188 direct or indirect ownership interest in any distillery that
189 distills, rectifies, or blends 250,000 gallons or more per
190 calendar year of distilled spirits under any license issued
191 ~~licensed~~ in this state; in another state, territory, or country;
192 or by the United States Government to distill ~~manufacture,~~
193 ~~blend, or rectify~~ distilled spirits for beverage purposes.

194 ~~5.6. Except as provided in paragraph (b),~~ a craft
195 distillery may ~~shall~~ not have its ownership affiliated with
196 another distillery, unless such distillery is owned by an
197 individual or entity that distills, rectifies, or blends 250,000
198 gallons or less per calendar year of distilled spirits ~~produces~~
199 ~~75,000 or fewer gallons per calendar year of distilled spirits~~
200 on each of its premises in this state or in another state,
201 territory, or country.

202 6. A craft distillery may transfer up to 75,000 gallons per
203 calendar year of its branded products that it distills,
204 rectifies, or blends from its federal bonded space, nonbonded
205 space at its licensed premises, or storage areas to its souvenir
206 gift shop and tasting room.

207 (5) A craft distillery making sales under paragraph (2) (f)
208 ~~paragraph (2) (e)~~ is responsible for submitting any excise taxes
209 due to the state on distilled spirits ~~on beverages~~ under the
210 Beverage Law with ~~in~~ its monthly report to the division ~~with any~~
211 ~~tax payments due to the state.~~

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



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214 565.17 Beverage tastings by distributors, craft
215 distilleries, and vendors.—

216 (1) A licensed distributor of spirituous beverages, a craft
217 distillery as defined in s. 565.03, or any vendor, is authorized
218 to conduct spirituous beverage tastings upon any licensed
219 premises authorized to sell spirituous beverages by package or
220 for consumption on premises without being in violation of s.
221 561.42, provided that the conduct of the spirituous beverage
222 tasting shall be limited to and directed toward the general
223 public of the age of legal consumption.

224 (2) Craft distilleries may conduct tastings and sales of
225 distilled spirits produced by the craft distilleries at Florida
226 fairs, trade shows, farmers markets, expositions, and festivals.
227 The division shall issue permits to craft distilleries for such
228 tastings and sales. A craft distillery must pay all entry fees
229 and must have a distillery representative present during the
230 event. The permit is limited to the duration and physical
231 location of the event.

232 Section 4. This act shall take effect July 1, 2021.

233
234 ===== T I T L E A M E N D M E N T =====

235 And the title is amended as follows:

236 Delete everything before the enacting clause
237 and insert:

238 A bill to be entitled
239 An act relating to the craft distilleries; amending s.
240 565.02, F.S.; defining the term "destination
241 entertainment venue"; authorizing craft distilleries
242 to be licensed as specified vendors under certain



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243 circumstances; providing requirements for such
244 licenses; providing requirements for craft
245 distilleries for such licenses; prohibiting a licensee
246 from taking certain actions; requiring certain
247 alcoholic beverages to be obtained through a licensed
248 distributor; amending s. 565.03, F.S.; redefining the
249 terms "branded product" and "craft distillery";
250 prohibiting a distillery from operating as a craft
251 distillery until certain requirements are met;
252 authorizing persons to have common ownership in craft
253 distilleries under certain circumstances; defining the
254 term "common ownership"; requiring a minimum
255 percentage of a craft distillery's total finished
256 branded products to be distilled in this state and
257 contain one or more Florida agricultural products
258 after a specified date; revising the requirements and
259 prohibitions on the sale of branded products to
260 consumers by a licensed craft distillery; revising the
261 circumstances for which a craft distillery must report
262 certain information about the production of distilled
263 spirits to the Division of Alcoholic Beverages and
264 Tobacco of the Department of Business and Professional
265 Regulation; revising prohibitions on the shipment of
266 certain products by a craft distillery; revising
267 prohibitions on the transfer of a craft distillery
268 license or ownership interest in such license;
269 revising prohibitions relating to affiliated ownership
270 of craft distilleries; authorizing a craft distillery
271 to transfer specified distilled spirits from certain



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272 locations to its souvenir gift shop and tasting room;
273 making technical changes; amending s. 565.17, F.S.;
274 authorizing craft distilleries to conduct spirituous
275 beverage tastings under certain circumstances;
276 requiring the division to issue permits to craft
277 distilleries to conduct tastings and sales at certain
278 locations; specifying requirements for distilleries
279 for such permits; providing an effective date.

By Senator Hutson

7-00402C-21

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

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30 certain products by a craft distillery; revising
 31 prohibitions on the transfer of a craft distillery
 32 license or ownership interest in such license;
 33 revising prohibitions relating to affiliated
 34 ownerships of craft distilleries; authorizing a craft
 35 distillery to transfer specified distilled spirits
 36 from certain locations to its souvenir gift shop and
 37 tasting room; making technical changes; amending s.
 38 565.17, F.S.; authorizing craft distilleries to
 39 conduct spirituous beverage tastings under certain
 40 circumstances; requiring the division to issue permits
 41 to craft distilleries to conduct tastings and sales at
 42 certain locations; specifying requirements for
 43 distilleries for such permits; providing an effective
 44 date.
 45
 46 Be It Enacted by the Legislature of the State of Florida:
 47
 48 Section 1. Present subsection (12) of section 565.02,
 49 Florida Statutes, is redesignated as subsection (13), and a new
 50 subsection (12) is added to that section, to read:
 51 565.02 License fees; vendors; clubs; caterers; and others.-
 52 (12) (a) As used in this subsection, the term:
 53 1. "Destination entertainment venue" means a venue that:
 54 a. Is located in a designated community redevelopment area
 55 authorized under an adopted community redevelopment plan to
 56 support urban redevelopment and economic development;
 57 b. Is owned by a person or a consortium of persons having a
 58 direct or indirect ownership interest in a craft distillery

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59 located within the destination entertainment venue;

60 c. Is adjacent to and served by multimodal transportation
 61 options, including, at a minimum, bicycle and pedestrian trails
 62 included on an adopted city or county trails map and mass
 63 transit routes established by a city, county, or regional
 64 transportation authority; and

65 d. Is located within a contiguous area of at least 15
 66 acres, including associated parking and stormwater requirements
 67 as required by local law, regulation, or ordinance, and that
 68 contains:

69 (I) At least one indoor event venue with a minimum capacity
 70 of 150 people which is fully serviced by a connected onsite
 71 kitchen;

72 (II) At least one outdoor event venue with a minimum
 73 capacity of 1,000 people which has regularly occurring live
 74 entertainment on a stage that is at least 12 feet deep and 16
 75 feet wide; and

76 (III) One or more licensed craft distilleries sharing
 77 common ownership.

78 2. "Common ownership" has the same meaning as in s.
 79 565.03(2)(b).

80 (b) Notwithstanding any other provisions of the Beverage
 81 Law, upon the payment of the appropriate fees, a craft
 82 distillery licensed in this state may be licensed as a vendor
 83 only for consumption on the premises of alcoholic beverages
 84 manufactured by other manufacturers and acquired through a
 85 distributor. The issuance of a license under this paragraph is
 86 not subject to any quota or limitation, except that the craft
 87 distillery must be:

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88 1. Located on property within a destination entertainment
 89 venue; and

90 2. In operation and open for tours during normal business
 91 hours at least 5 days a week.

92 (c) The vendor license may be issued only for the premises
 93 included on the licensed premises sketch on file with the
 94 division under s. 565.03 for the craft distillery, including its
 95 souvenir gift shop or tasting room.

96 (d) No more than three craft distilleries may be licensed
 97 as a vendor in a community redevelopment area under this
 98 subsection. Craft distilleries licensed as a vendor under this
 99 subsection must be located within the same destination
 100 entertainment venue and must share a common ownership, and the
 101 combined total amount of branded products distilled, blended, or
 102 rectified by the distilleries must total at least 50,000 gallons
 103 of branded products per calendar year.

104 (e) Except as otherwise provided in this paragraph, a craft
 105 distillery licensed as a vendor under this subsection shall be
 106 treated as a vendor and is subject to all provisions relating to
 107 such vendors licensed to sell alcoholic beverages for
 108 consumption on premises. A craft distillery licensed as a vendor
 109 may not make package sales for off-premises consumption or make
 110 any delivery or shipment of alcoholic beverages away from the
 111 destination entertainment venue or the craft distillery, unless
 112 such shipment or delivery is authorized for a craft distillery
 113 under s. 565.03.

114 (f) Alcoholic beverages manufactured by another licensed
 115 manufacturer, including branded products manufactured at another
 116 craft distillery location sharing common ownership, must be

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117 obtained through a licensed distributor that is not also a
 118 licensed manufacturer, a licensed broker or sales agent, or a
 119 licensed importer.

120 (g) Nothing in s. 561.42 or any other provision of the
 121 Beverage Law prohibits a vendor from leasing its licensed
 122 premises within a destination entertainment venue. The terms of
 123 the lease must be based on the fair market value for comparable
 124 property.

125 Section 2. Paragraphs (a) and (b) of subsection (1) and
 126 subsections (2) and (5) of section 565.03, Florida Statutes, are
 127 amended to read:

128 565.03 License fees; manufacturers, distributors, brokers,
 129 sales agents, and importers of alcoholic beverages; vendor
 130 licenses and fees; distilleries and craft distilleries.—

131 (1) As used in this section, the term:

132 (a) "Branded product" means any distilled spirits product
 133 that:

134 1. Is owned by a craft distillery;
 135 2. Contains distilled spirits that are manufactured by
 136 distilling, rectifying, or blending by the craft distillery on
 137 its licensed premises; and

138 ~~3. Has manufactured on site, which requires a federal~~
 139 ~~certificate and label approval by the Federal Government Alcohol~~
 140 ~~Administration Act or federal regulations.~~

141 (b) "Craft distillery" means a licensed distillery in this
 142 state which distills, rectifies, or blends 250,000 that produces
 143 ~~75,000 or fewer gallons or less of distilled spirits per~~
 144 ~~calendar year of distilled spirits on the distillery its~~
 145 ~~premises and has notified the division in writing of its~~

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146 ~~decision to qualify as a craft distillery.~~

147 (2) (a) A distillery may not operate as a craft distillery
 148 until the distillery has provided to the division written
 149 notification that it meets the criteria specified in paragraph
 150 (1) (b). Upon the division's receipt of the notification and its
 151 verification that the distillery meets all such criteria, the
 152 division shall add the designation of craft distiller on the
 153 distillery's license.

154 (b) A person may not share common ownership in more than 10
 155 craft distilleries, provided that no more than:

156 1. Four of the distilleries each distill, rectify, or blend
 157 250,000 gallons or less of distilled spirits per calendar year;
 158 and

159 2. Six of the distilleries each distill, rectify, or blend
 160 50,000 gallons or less of distilled spirits per calendar year.

161
 162 As used in this paragraph, the term "common ownership" means
 163 having a direct or indirect financial interest in two or more
 164 distilleries by the same person.

165 (c) A minimum of 60 percent of a craft distillery's total
 166 finished branded products must be distilled in this state and
 167 contain one or more Florida agricultural products.

168 (d) A distillery or a craft distillery authorized to do
 169 business under the Beverage Law shall pay an annual state
 170 license tax for each plant or branch operating in the state, as
 171 follows:

172 1. A distillery engaged in the business of manufacturing
 173 distilled spirits: \$4,000.

174 2. A craft distillery engaged in the business of

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175 manufacturing distilled spirits: \$1,000.

176 3. A person engaged in the business of rectifying and
177 blending spirituous liquors and nothing else: \$4,000.

178 ~~(e)(b)~~ A licensed distillery or licensed craft distillery
179 ~~may Persons licensed under this section who are in the business~~
180 ~~of distilling spirituous liquors may also~~ engage in the business
181 of rectifying ~~or and~~ blending spirituous liquors without the
182 payment of an additional license tax.

183 ~~(f)(c)~~ A craft distillery licensed under this section may
184 sell directly to consumers up to 75,000 gallons per calendar
185 year of, at its souvenir gift shop, branded products that are
186 manufactured by the craft distillery distilled on its premises.
187 A craft distillery may sell branded products directly to
188 consumers by the drink for consumption on the premises or by the
189 package in factory-sealed containers for consumption off the
190 premises in this state in factory-sealed containers that are
191 filled at the distillery for off-premises consumption. Such
192 sales are authorized only in the craft distillery's souvenir
193 gift shop or tasting room located on private property contiguous
194 to the licensed distillery premises. Branded products sold to
195 consumers must have been distilled, rectified, or blended on the
196 distillery premises that is located contiguous to the craft
197 distillery's souvenir gift shop or tasting room. The souvenir
198 gift shop or tasting room must be in this state and included on
199 the sketch or diagram defining the licensed premises submitted
200 with the distillery's license application. All sketch or diagram
201 revisions by the distillery shall require the division's
202 approval verifying that the locations of the souvenir gift shops
203 and tasting rooms shop location operated by the licensed

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204 distillery are ~~is~~ owned or leased by the distillery and on
205 property contiguous to the distillery's production building in
206 this state.

207 1. Except as authorized under s. 565.17(2), a craft
208 distillery may not sell any factory-sealed individual containers
209 of spirits to consumers except in face-to-face sales
210 transactions with such consumers at the craft distillery's
211 licensed premises. Such branded products must be in compliance
212 with the container limits under s. 565.10 and be intended for
213 personal consumption rather than for resale who are making a
214 purchase of no more than six individual containers of each
215 branded product.

216 2. Each container sold in face to face transactions with
217 consumers must comply with the container limits in s. 565.10,
218 per calendar year for the consumer's personal use and not for
219 resale and who are present at the distillery's licensed premises
220 in this state.

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

228 ~~3.4.~~ A craft distillery may not ship or arrange to ship any
229 of its branded products or any other alcoholic beverages that it
230 manufactures by distilling, rectifying, or blending distilled
231 spirits to consumers and may sell and deliver only to consumers
232 within the state in a face-to-face transaction at the distillery

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233 ~~property~~. However, a craft distillery distiller licensed under
 234 this section may ship, arrange to ship, or deliver such spirits
 235 to any manufacturers of distilled spirits, wholesale
 236 distributors of distilled spirits, state or federal bonded
 237 warehouses, ~~or and~~ exporters.

238 ~~4.5-~~ Except as provided in subparagraph 5, ~~subparagraph 6-~~,
 239 it is unlawful to transfer a craft distillery license ~~for a~~
 240 ~~distillery that produces 75,000 or fewer gallons per calendar~~
 241 ~~year of distilled spirits on its premises or any ownership~~
 242 ~~interest in such license to an individual or entity that has a~~
 243 ~~direct or indirect ownership interest in any distillery that~~
 244 ~~distills, rectifies, or blends 250,000 gallons or more per~~
 245 ~~calendar year of distilled spirits under any license issued~~
 246 ~~licensed in this state; in another state, territory, or country;~~
 247 ~~or by the United States Government to distill manufacture,~~
 248 ~~blend, or rectify distilled spirits for beverage purposes.~~

249 ~~5.6-~~ Except as provided in paragraph (b), a craft
 250 distillery ~~may shall~~ not have its ownership affiliated with
 251 another distillery, unless such distillery is owned by an
 252 individual or entity that distills, rectifies, or blends 250,000
 253 gallons or less per calendar year of distilled spirits produces
 254 ~~75,000 or fewer gallons per calendar year of distilled spirits~~
 255 ~~on each of its premises in this state or in another state,~~
 256 ~~territory, or country.~~

257 6. A craft distillery may transfer up to 75,000 gallons per
 258 calendar year of its branded products that it distills,
 259 rectifies, or blends from its federal bonded space, nonbonded
 260 space at its licensed premises, or storage areas to its souvenir
 261 gift shop and tasting room.

7-00402C-21 202146__

262 (5) A craft distillery making sales under paragraph (2) (f)
 263 ~~paragraph (2) (e)~~ is responsible for submitting any excise taxes
 264 ~~due to the state on distilled spirits on beverages~~ under the
 265 Beverage Law ~~with in~~ its monthly report to the division ~~with any~~
 266 ~~tax payments due to the state.~~

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

269 565.17 Beverage tastings by distributors, craft
 270 distilleries, and vendors.-

271 (1) A licensed distributor of spirituous beverages, a craft
 272 distillery as defined in s. 565.03, or any vendor, is authorized
 273 to conduct spirituous beverage tastings upon any licensed
 274 premises authorized to sell spirituous beverages by package or
 275 for consumption on premises without being in violation of s.
 276 561.42, provided that the conduct of the spirituous beverage
 277 tasting shall be limited to and directed toward the general
 278 public of the age of legal consumption.

279 (2) Craft distilleries may conduct tastings and sales of
 280 distilled spirits produced by the craft distilleries at Florida
 281 fairs, trade shows, farmers markets, expositions, and festivals.
 282 The division shall issue permits to craft distilleries for such
 283 tastings and sales. A craft distillery must pay all entry fees
 284 and must have a distillery representative present during the
 285 event. The permit is limited to the duration and physical
 286 location of the event.

287 Section 4. This act shall take effect July 1, 2021.

FILED
Department of Business and Professional Regulation
Deputy Agency Clerk
CLERK Brandon Nichols
Date 1/19/2018
File # 2018-00410

**STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF ALCOHOLIC BEVERAGES AND TOBACCO**

IN RE:

PETITION FOR DECLARATORY STATEMENT
BEFORE DIVISION OF ALCOHOLIC
BEVERAGES AND TOBACCO,

DABT CASE NO.: 2017-052675

DS 2017-071

On behalf of Drum Circle Distilling, LLC,

Petitioner.

FINAL ORDER ON PETITION FOR DECLARATORY STATEMENT

The Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco (“Division”), pursuant to Rule 28-105.003, Florida Administrative Code (“F.A.C.”) files this Final Order on Drum Circle Distilling, LLC’s Petition for Declaratory Statement.

1. Pursuant to section 561.02, Florida Statutes, the Division is authorized to regulate licensees holding alcoholic beverage licenses and administer and enforce chapters 561 through 568, Florida Statutes, collectively referred to as “The Beverage Law”.

2. Drum Circle Distilling, LLC (“Petitioner”) is a Florida corporation licensed as a distiller of spirituous beverages by the Division.

ISSUE PRESENTED

3. Petitioner, pursuant to chapter 28-105, F.A.C, requests that the Division provide a declaratory statement as to the applicability of section 565.03(2)(c), Florida Statutes, to Petitioner’s set of circumstances.

4. Petitioner presents two issues for consideration by the Division: (1) whether Petitioner may offer for sale to consumers, through a souvenir gift shop, products comprised of a

blend of liquors distilled on the premises and liquors distilled by other manufacturers away from the premises; and (2) whether Petitioner may offer for sale to consumers, through a souvenir gift shop, products comprised of a blend of only liquors distilled by other manufacturers away from the Petitioner's premises.

FINDINGS OF FACT

5. On or about October 23, 2017, Petitioner submitted to the Division a petition requesting that the Division provide a declaratory statement. A copy of the petition is attached hereto and incorporated by reference.

6. On November 7, 2017, the Division published notice of receipt of Petitioner's petition in Volume 43, Number 216 of the Florida Administrative Register ("F.A.R").

7. The conclusions of this Final Order are based on the facts described in the petition and the particular factual assertions described therein. All facts presented in the petition were duly considered and form the basis of this Order.

CONCLUSIONS OF LAW

8. Section 120.565, Florida Statutes, provides:

- (1) Any substantially affected person may seek a declaratory statement regarding an agency's opinion as to the applicability of a statutory provision, or of any rule or order of the agency, as it applies to the petitioner's particular set of circumstances.
- (2) The petition seeking a declaratory statement shall state with particularity the petitioner's set of circumstances and shall specify the statutory provision, rule or order that the petitioner believes may apply to the set of circumstances.

9. In *Chiles v. Dep't of State*, 711 So. 2d 151, 154–55 (Fla. 1st DCA 1998), the Court explained,

The purpose of a declaratory statement is to address the applicability of a statutory provision or an order or rule of the agency in particular circumstances. A party who obtains a statement of the agency's position may avoid costly administrative litigation by selecting the proper course of action in advance. Moreover, the reasoning employed by the agency in support of a declaratory statement may offer useful guidance to others who are likely to interact with the agency in similar circumstances. Another party can expect the agency to apply the rationale for its declaratory statement consistently, or to explain why a different application is required.

10. The Division finds that Petitioner presented a particular set of circumstances, is substantially affected by the Division's application of the statute, and can likely avoid costly administrative litigation by selecting the proper course of action in advance. Accordingly, pursuant to section 120.565, Florida Statutes, the Division finds that a declaratory statement is appropriate for issuance in this matter.

11. "Legislative intent guides statutory analysis, and to discern that intent we must look first to the language of the statute and its plain meaning." *Fla. Dep't of Children & Family Servs. v. P.E.*, 14 So. 3d 228, 234 (Fla. 2009). Correspondingly, "legislative intent is determined primarily from the text" of the statute. *Cont'l Cas. Co. v. Ryan, Inc. E.*, 974 So. 2d 368, 374 (Fla. 2008). If the language of the statute is clear and unambiguous, then it is unnecessary to look beyond the plain meaning of the statutory text. *Saunders v. Saunders*, 796 So. 2d 1253, 1254 (Fla. 1st DCA 2001).

12. Section 565.03(2)(c), Florida Statutes, authorizes a licensed craft distillery to sell to consumers, at its souvenir gift shop, for off-premises consumption, factory-sealed containers of branded products that have been distilled and filled on the licensed premises in this state.

I. WHETHER PETITIONER MAY OFFER FOR SALE TO CONSUMERS, THROUGH A SOUVENIR GIFT SHOP, PRODUCTS COMPRISED OF A BLEND OF LIQUORS DISTILLED ON THE PREMISES AND LIQUORS DISTILLED BY OTHER MANUFACTURERS AWAY FROM THE PREMISES

13. Petitioner's first question asks whether or not a branded product comprised of a blend of spirituous liquors produced by other distillers and spirituous liquors distilled on premises by Petitioner may be offered for sale in face-to-face transactions at Petitioner's souvenir gift shop.

14. According to section 565.03(2)(c), Florida Statutes, Petitioner may "sell to consumers, at its souvenir gift shop, branded products distilled on its premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption."

15. Petitioner states in the petition that they intend to blend spirituous liquors from other distillers with spirituous liquors that are distilled on Petitioner's premises, then sell that final product to consumers in accordance with section 565.03(2)(c), Florida Statutes.

16. So long as Petitioner includes spirituous liquor that has been distilled on the premises in the blending process to create a final spirituous liquor product, Petitioner may sell that spirituous liquor product in accordance with section 565.03(2)(c), Florida Statutes, as a branded product distilled on the premises.

II. WHETHER PETITIONER MAY OFFER FOR SALE TO CONSUMERS, THROUGH A SOUVENIR GIFT SHOP, PRODUCTS COMPRISED OF A BLEND OF ONLY LIQUORS DISTILLED BY OTHER MANUFACTURERS AWAY FROM THE PETITIONER'S PREMISES

17. Petitioner's second question asks whether or not a branded product comprised of a blend of only spirituous liquors produced by other distillers away from Petitioner's premises may be offered for sale in face-to-face transactions at Petitioner's souvenir gift shop. Petitioner states in the petition that they intend to blend spirituous liquors that were not distilled by Petitioner on

the licensed premises, then sell that final product to consumers in face-to-face transactions in accord with section 565.03(2)(c), Florida Statutes.

18. Section 565.03(2)(c), Florida Statutes, authorizes a licensed craft distillery to “sell to consumers, at its souvenir gift shop, branded products *distilled on its premises* in this state in factory-sealed containers that are filled at the distillery for off-premises consumption.” (emphasis added). The statute’s express parameters on the location at which the liquor is distilled, the location at which the container is filled, and the manner and location through which the product is sold establish a specific and limited category of products which are authorized for direct sale by a manufacturer of distilled spirits to consumers.

19. Accordingly, the branded product proposed by Petitioner as a blend of spirituous liquors, none of which has been distilled on the licensed premises, is not within the scope of products eligible for sale to consumers in face-to-face transactions at a souvenir gift shop pursuant to section 565.03(2)(c), Florida Statutes.

CONCLUSION

20. This statement is based on the facts described in Petitioner’s petition and legal research conducted by the Division. Accordingly, this conclusion has no application in the event that the factual circumstances described herein are incorrect or change or in the event law or rules pertinent to Petitioner’s petition are modified in the future.

Having considered the facts and circumstances set forth in the petition and evidence in the record, it is ORDERED that the Division hereby GRANTS Drum Circle Distilling, LLC’s Petition for Declaratory Statement, and answers the questions presented by Petitioner as set forth above.

DONE and ORDERED in Tallahassee, Florida this 19th day of January, 2018.




Thomas R. Philpot, Director
Division of Alcoholic Beverages & Tobacco

NOTICE OF RIGHT TO APPEAL UNLESS WAIVED

Unless expressly waived, any party substantially affected by this final order may seek judicial review by filing an original Notice of Appeal with the Clerk of the Department of Business and Professional Regulation, and a copy of the notice, accompanied by the filing fees prescribed by law, with the clerk of the appropriate District Court of Appeal within thirty (30) days of rendition of this order, in accordance with Rule 9.110, Florida Rules of Appellate Procedure, and section 120.68, Florida Statutes.

CERTIFICATE OF SERVICE

I hereby certify that the preceding FINAL ORDER has been provided via U.S. Mail to the following party on this 22nd day of January, 2018.

Served via email 1/19/2018 Bmw

Troy Roberts
2212 Industrial Blvd.
Sarasota, Florida 34234
troy@siestakeyrum.com

RB:

Brandon M. Nichols

RONDA BRYAN, AGENCY CLERK
Department of Business & Professional Regulation

Copies furnished to:

Thomas R. Philpot, Director
Robin Smith, Deputy General Counsel
Beth A. Miller, Chief Attorney

STATE OF FLORIDA
FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
DIVISION OF ALCOHOLIC BEVERAGES AND TOBACCO

FILED	
Department of Business and Professional Regulation AGENCY CLERK	
CLERK	Ronda L. Bryan
Date	10/23/2017
File #	

IN RE:

PETITION FOR DECLARATORY STATEMENT BEFORE
THE FLORIDA DEPARTMENT OF BUSINESS AND
PROFESSIONAL REGULATION, DIVISION OF
ALCOHOLIC BEVERAGES AND TOBACCO,

On behalf of DRUM CIRCLE DISTILLING, LLC.,

DBPR No.

Petitioner.

DS 2017-071

**PETITION FOR DECLARATORY STATEMENT
BEFORE FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL
REGULATION, DIVISION OF ALCOHOLIC BEVERAGES AND TOBACCO**

Petitioner, **DRUM CIRCLE DISTILLING, LLC.**, a Florida Limited Liability Company, authorized to do business in the State of Florida (hereinafter "DCD"), hereby submits this Petition for Declaratory Statement to the Florida Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco, (hereinafter "DABT"), pursuant to Section 120.565, Florida Statutes, and in accordance with Rule 28-105, Florida Administrative Code. In particular, Petitioner seeks a declaration by the DABT determining whether DCD may blend certain distilled spirits for face to face sales transactions pursuant to Section 565.03(2)(c), Florida Statutes.

IDENTIFICATION OF PETITIONER AND PETITIONER'S ATTORNEYS

1. Drum Circle Distilling, LLC, is a Florida Limited Liability Company licensed by the Florida Department of Business and Professional Regulation as a Distiller of Spirituous Beverages, license number WSL 6803579 and having its principal place of business at 2212

Industrial Blvd., Sarasota, Florida 34234, email address of troy@siestakeyrum.com, telephone number 941-358-1900.

**STATUTORY AND REGULATORY PROVISIONS ON WHICH
THE DECLARATORY STATEMENT IS SOUGHT**

2. DCD requests the DABT's interpretation of the statutes set forth below.
3. Section 565.03(2)(b) provides that "Persons licensed under this section who are in the business of distilling spirituous liquors may also engage in the business of rectifying and blending spirituous liquors without the payment of an additional license tax." As stated above, DCD is licensed to distill spirituous liquors and therefore based on the above may also engage in the business of rectifying and blending spirituous liquors.
4. Section 565.03(2)(c), provides that "A craft distillery licensed under this section may sell to consumers, at its souvenir gift shop, branded products distilled on its premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption."
5. The relevant statutes, and administrative regulations, do not address whether DCD may blend spirituous liquors made by other distillers with spirituous liquors distilled on premises pursuant to DCD's distiller's license or if DCD may blend spirituous liquors made by other distillers on premises for sale pursuant to Section 565.03(2)(c), Florida Statutes.
6. DCD believes it may blend spirituous liquors produced by other distillers with spirituous liquors distilled on premises by DCD for purchase in face to face transactions. Furthermore, DCD believes it may blend spirituous liquors produced by other distillers not including spirits distilled by DCD for purchase in face to face transactions.
7. Given the scope of relevant statutory and regulatory provisions as outlined above, DCD is in doubt as to whether it may proceed with blending as stated in paragraph 6. above. Accordingly, DCD poses the following question for which it seeks a declaratory statement:

May DCD blend spirituous liquors produced by other distillers with DCD's own liquors distilled on premises for sale in face to face transactions pursuant to Section 565.03(2)(c), Florida Statutes? Also, May DCD blend spirituous liquors produced by other distillers on premise for sale in face to face transactions pursuant to Section 565.03(2)(c), Florida Statutes?

8. DCD respectfully requests that DABT declare that DCD may blend spirituous liquors produced by other distillers with DCD's own liquors distilled on DCD's premise for sale in face to face transactions and that DCD may blend spirituous liquors produced by other distillers then blended on DCD's premise for sale in face to face transactions.

PETITIONERS' SUBSTANTIAL INTERESTS ARE AFFECTED BY THE DIVISION'S APPLICATION OF SECTION 565.03(2)(c)

9. DCD distills Siesta Key Rum at its licensed facility and distributes the rum through the three-tier system and for sale in face to face transactions at their premise at its souvenir gift shop.

10. DCD desires to blend their distilled rum with other Caribbean rums to further is brand, labels and products. The interpretation of this circumstance by the Division could substantially affect DCD's ability to grow its product line, brand and overall growth of product.


11. This Petition is limited in scope and only seeks clarification as it relates to DCD's ability to blend rums at its licensed facility for sale in face to face transactions.

12. Due to the vagueness in the statutory and regulatory provisions set forth above, DCD is in doubt as to its ability to blend rums at its licensed facility for sales in face to face transactions.

13. DCD has standing to make this inquiry based on its intent to blend rums for face to face sales and as a current license holder as a Craft Distillery and Distiller of Spirituous Beverages in the State of Florida.

WHEREFORE, DCD respectfully requests DABT to declare that DCD may blend spirituous liquors produced by other distillers with DCD's own liquors distilled on DCD's premise for sale in face to face transactions and for tastings and that DCD may blend spirituous liquors produced by other distillers then blended on DCD's premise for sale in face to face transactions and tastings and enter a final order that complies with all applicable statutory provisions, agency rules, and agency orders over which the DBAT has authority.

Respectfully submitted this 18th day of October 2017.



Troy Roberts
Drum Circle Distilling, LLC
Distiller of Spirituous Beverages, license number
WSL 6803579
2212 Industrial Blvd.
Sarasota, FL 34234
Phone: 941-358-1900
troy@siestakeyrum.com

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

26 Jun 2021
Meeting Date

46
Bill Number (if applicable)

Topic Craft Distilleries

Amendment Barcode (if applicable)

Name DIEGO ECHEVERRI

Job Title Legislative Liaison

Address 200 W College Ave Phone _____
Street

TLH _____
City State Zip Email

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Americans For Prosperity

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/26/2021

Meeting Date

46

Bill Number (if applicable)

Topic Craft Distilleries

Amendment Barcode (if applicable)

Name Robert Stuart

Job Title Government Consultant

Address 301 S. Bronough Street

Phone 850-577-9090

Street

Tallahassee

FL

32301

Email robert.stuart@gray-robinson.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing St. Augustine Distillery

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Jan 20th 2021

SB 46

Meeting Date

Bill Number (if applicable)

Topic Cannabis Distillates to Lic Control

Amendment Barcode (if applicable)

Name David Sardon

Job Title STATESMAN Retired *Corporate Commercial Clearing
Libertyville IL - & Husband of
A Florist's Corp.
"Non-Driver"*

Address 106 Wintergreen Drive

Phone 352 805 6507

Street

Fort Land Park FL 34731

Email golferdave1955@gmail.com

City

State

Zip

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Self / A Non Drinking Statesman
Associated with A.A.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



The Florida Senate

Committee Agenda Request

To: Senator Travis Hutson, Chair
Committee on Regulated Industries

Subject: Committee Agenda Request

Date: January 13, 2021

I respectfully request that **Senate Bill #46**, relating to Craft Distilleries, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in cursive script that reads "Travis J. Hutson".

Senator Travis Hutson
Florida Senate, District 7

CourtSmart Tag Report

Room: KN 412
Caption: Regulated Industries

Case No.:
Judge:

Type:

Started: 1/26/2021 12:30:25 PM

Ends: 1/26/2021 12:52:44 PM

Length: 00:22:20

12:30:23 PM Meeting called to order - roll call
12:31:13 PM Pledge of Allegiance
12:31:19 PM Announcements by Chair Hutson
12:32:12 PM Tab 1 - Introductory remarks by Chair Hutson and members
12:33:59 PM Chair introduction of committee staff
12:35:28 PM Tab 2, SB 56 by Senator Rodriguez, Community Association Assessment Notices
12:36:27 PM Questions on the bill
12:36:32 PM Appearance forms
12:36:40 PM Debate on the bill
12:36:44 PM Waive close
12:36:49 PM Roll call on SB 56
12:37:12 PM Turn chair over to Vice Chair Book
12:37:26 PM Tab 3, SB 46 by Senator Hutson, Craft Distilleries
12:37:33 PM Amendment Barcode 774312 (Delete-All) Sen. Hutson, explains the delete-all
12:39:51 PM Question on the Amendment, Senator Passidomo
12:41:33 PM Debate
12:42:36 PM Senator Rodrigues in debate
12:43:08 PM Senator Albritton in debate
12:44:01 PM Diego Echeverri, Americans for Prosperity waives in support
12:44:22 PM Mark Anderson, Chief Exec. Officers of Management Companies (for information on SB 56)
12:45:19 PM Robert Stuart, St. Augustine Distillery, waives in support
12:45:40 PM David Serdan, representing himself
12:47:17 PM Amendment adopted
12:47:22 PM Close on the bill as amended by Senator Hutson
12:48:12 PM Roll call on CS/SB 46
12:48:21 PM Tab 4 - Staff overview and committee jurisdiction
12:49:03 PM Booter Imhof, Staff Director, presenting overview of committee jurisdiction
12:51:37 PM Senator Book moves to adjourn, without objection