1 A bill to be entitled 2 An act relating to malt beverage tastings; amending s. 3 561.42, F.S.; deleting brokers from provisions 4 regulating malt beverages; removing the prohibition on 5 beer samplings at the premises of vendors licensed for 6 off-premises sales only; authorizing malt beverage 7 tastings on the licensed premises of certain vendors, 8 subject to certain requirements, limitations, 9 liabilities, and penalties; providing applicability; 10 authorizing the Division of Alcoholic Beverages and 11 Tobacco of the Department of Business and Professional 12 Regulation to adopt rules; expanding the prohibition on cooperative advertising with a vendor; making 13 editorial changes; providing an effective date. 14 15 16 Be It Enacted by the Legislature of the State of Florida: 17 Subsection (14) of section 561.42, Florida 18 Section 1. 19 Statutes, is amended to read: 20 561.42 Tied house evil; financial aid and assistance to 21 vendor by manufacturer, distributor, importer, primary American 22 source of supply, brand owner or registrant, or any broker, sales agent, or sales person thereof, prohibited; procedure for 23 24 enforcement; exception.-25 (14)The division shall adopt reasonable rules governing 26 promotional displays and advertising, which rules may shall not Page 1 of 7

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27 conflict with or be more stringent than the federal regulations 28 pertaining to such promotional displays and advertising 29 furnished to vendors by distributors, manufacturers, importers, 30 primary American sources of supply, or brand owners or 31 registrants, or any broker, sales agent, or sales person 32 thereof; however:

33 If a manufacturer, distributor, importer, brand owner, (a) 34 or brand registrant of malt beverage, or any broker, sales 35 agent $_{\tau}$  or sales person thereof, provides a vendor with expendable retailer advertising specialties such as trays, 36 37 coasters, mats, menu cards, napkins, cups, glasses, thermometers, and the like, such items may shall be sold only at 38 a price not less than the actual cost to the industry member who 39 initially purchased them, without limitation in total dollar 40 41 value of such items sold to a vendor.

(b) Without limitation in total dollar value of such items provided to a vendor, a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any <del>broker,</del> sales agent, or sales person thereof, may rent, loan without charge for an indefinite duration, or sell durable retailer advertising specialties such as clocks, pool table lights, and the like, which bear advertising matter.

49 (c) If a manufacturer, distributor, importer, brand owner,
50 or brand registrant of malt beverage, or any broker, sales
51 agent, or sales person thereof, provides a vendor with consumer
52 advertising specialties such as ashtrays, T-shirts, bottle
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53 openers, shopping bags, and the like, such items <u>may shall</u> be 54 sold <u>only</u> at a price not less than the actual cost to the 55 industry member who initially purchased them, <u>and but</u> may be 56 sold without limitation in total value of such items sold to a 57 vendor.

(d) A manufacturer, distributor, importer, brand owner, or
brand registrant of malt beverage, or any broker, sales agent,
or sales person thereof, may provide consumer advertising
specialties described in paragraph (c) to consumers on any
vendor's licensed premises.

(e)<u>1. A manufacturer, distributor, or importer of malt</u>
<u>beverages, or any contracted third-party agent thereof, may</u>
Manufacturers, distributors, importers, brand owners, or brand
registrants of beer, and any broker, sales agent, or sales
person thereof, shall not conduct any sampling activities that
include the tasting of malt beverage products on:

a. The licensed premises of a vendor authorized to sell
 alcoholic beverages by the drink for on-premises consumption; or

71 <u>b. The licensed premises of a vendor authorized to sell</u> 72 <u>alcoholic beverages only in sealed containers for off-premises</u> 73 <u>consumption if:</u>

74 <u>(I) The licensed premises is at an establishment that has</u> 75 <u>at least 10,000 square feet of interior floor space exclusive of</u> 76 <u>storage space not open to the general public; or</u>

77 (II) The licensed premises is a package store licensed 78 under s. 565.02(1)(a) regardless of square footage their product Page 3 of 7

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| 79  | at a vendor's premises licensed for off-premises sales only.     |
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| 80  | 2. A malt beverage tasting conducted under this paragraph        |
| 81  | must be limited to and directed toward the general public of the |
| 82  | age of legal consumption.  |
| 83  | 3. For a malt beverage tasting conducted under this              |
| 84  | paragraph on the licensed premises of a vendor authorized to     |
| 85  | sell alcoholic beverages for consumption on such premises, each  |
| 86  | serving of a malt beverage to be tasted must be provided to the  |
| 87  | consumer by the drink in a tasting cup, glass, or other open     |
| 88  | container and may not be provided by the package, in an unopened |
| 89  | can or bottle, or in any other sealed container.                 |
| 90  | 4. For a malt beverage tasting conducted under this              |
| 91  | paragraph on the licensed premises of a vendor authorized to     |
| 92  | sell alcoholic beverages only in sealed containers for           |
| 93  | consumption off premises, the tasting must be conducted in the   |
| 94  | interior of the building constituting the vendor's licensed      |
| 95  | premises and each serving of a malt beverage to be tasted must   |
| 96  | be provided to the consumer in a tasting cup having a capacity   |
| 97  | of 3 ounces or less.   |
| 98  | 5. A manufacturer, distributor, importer, or a contracted        |
| 99  | third-party agent thereof, may not pay a vendor a fee or         |
| 100 | compensation of any kind, including the provision of a malt      |
| 101 | beverage at no cost or at a reduced cost, to authorize the       |
| 102 | conduct of a malt beverage tasting under this paragraph,         |
| 103 | violation of which constitutes a violation of s. 561.42.         |
| 104 | <u>6.a. A manufacturer, distributor, importer, or a</u>          |
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| 105 | contracted third-party agent thereof, conducting a malt beverage |
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| 106 | tasting under this paragraph, must provide all of the beverages  |
| 107 | to be tasted, the total volume of which for all tastings         |
| 108 | conducted by all manufacturers, distributors, and importers on a |
| 109 | vendor's licensed premises on any one day may not exceed 576     |
| 110 | ounces; must have paid all excise taxes on those beverages which |
| 111 | are required of the manufacturer or distributor; and must return |
| 112 | to the manufacturer's or distributor's inventory all of the malt |
| 113 | beverages provided for the tasting that remain unconsumed after  |
| 114 | the tasting.   |
| 115 | b. Any samples of malt beverages provided to a vendor by a       |
| 116 | manufacturer, distributor, importer, or a contracted third-party |
| 117 | agent thereof, in conjunction with or at the time of a tasting   |
| 118 | conducted under this paragraph on the licensed premises of such  |
| 119 | vendor are subject to the volume limit for such premises set     |
| 120 | forth under sub-subparagraph a.                                  |
| 121 | c. This subparagraph does not preclude a manufacturer,           |
| 122 | distributor, importer, or a contracted third-party agent         |
| 123 | thereof, from buying the malt beverages it provides for the      |
| 124 | tasting from a vendor at no more than the retail price, but all  |
| 125 | of the malt beverages so purchased and provided for the tasting  |
| 126 | which remain unconsumed after the tasting must be removed from   |
| 127 | the premises of the tasting and disposed of properly.            |
| 128 | 7. A manufacturer, distributor, or importer of malt              |
| 129 | beverages that contracts with a third-party agent to conduct a   |
| 130 | malt beverage tasting under this paragraph on the                |
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131 manufacturer's, distributor's, or importer's behalf is 132 responsible for any recordkeeping requirements under this 133 paragraph with respect to such agent and any violation of this 134 section by such agent. 135 8. This paragraph does not preclude a vendor from 136 conducting a malt beverage tasting on its licensed premises 137 using malt beverages from its own inventory. 138 9. This paragraph is supplemental to and does not 139 supersede any special act or ordinance. The division may, pursuant to ss. 561.08 and 561.11, 140 10. adopt rules to implement, administer, and enforce this 141 142 paragraph. 143 A manufacturer Manufacturers, distributor (f) distributors, importer importers, brand owner owners, or brand 144 145 registrant registrants of malt beverages beer, and any broker, 146 sales agent<sub> $\tau$ </sub> or sales person thereof or contracted third-party 147 agent under paragraph (e), may shall not engage in cooperative 148 advertising with a vendor and may not pay for advertising that 149 names a vendor under the guise of advertising a tasting of malt 150 beverages <del>vendors</del>. 151 A distributor <del>Distributors</del> of malt beverages <del>beer</del> may (g) 152 sell to a vendor vendors draft equipment and tapping accessories

at a price not less than the cost to the industry member who initially purchased them, except there is no required charge, and <u>the</u> a distributor may exchange any parts <u>that</u> which are not compatible with a competitor's system and are necessary to

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dispense the distributor's brands. A distributor of <u>malt</u> <u>beverages</u> beer may furnish to a vendor at no charge replacement parts of nominal intrinsic value, including, but not limited to, washers, gaskets, tail pieces, hoses, hose connections, clamps, plungers, and tap markers.

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Section 2. This act shall take effect August 15, 2014.

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