LEGISLATIVE ACTION Senate House Comm: RCS 03/25/2014

The Committee on Community Affairs (Latvala) recommended the following:

Senate Amendment (with title amendment)

3 Delete everything after the enacting clause and insert:

Section 1. Subsection (14) of section 561.42, Florida Statutes, is amended to read:

561.42 Tied house evil; financial aid and assistance to vendor by manufacturer, distributor, importer, primary American source of supply, brand owner or registrant, or any broker, sales agent, or sales person thereof, prohibited; procedure for

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enforcement; exception.-

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- (14) The division shall adopt reasonable rules governing promotional displays and advertising, which rules may shall not conflict with or be more stringent than the federal regulations pertaining to such promotional displays and advertising furnished to vendors by distributors, manufacturers, importers, primary American sources of supply, or brand owners or registrants, or any broker, sales agent, or sales person thereof; however:
- (a) If a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales $agent_{T}$ or sales person thereof, provides a vendor with expendable retailer advertising specialties such as trays, coasters, mats, menu cards, napkins, cups, glasses, thermometers, and the like, such items may shall be sold only at a price not less than the actual cost to the industry member who initially purchased them, without limitation in total dollar 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 broker, 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.
- (c) If a manufacturer, distributor, importer, brand owner, or brand registrant of malt beverage, or any broker, sales $agent_{\tau}$ or sales person thereof, provides a vendor with consumer advertising specialties such as ashtrays, T-shirts, bottle

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openers, shopping bags, and the like, such items may shall be sold only at a price not less than the actual cost to the industry member who initially purchased them, and but may be sold without limitation in total value of such items sold to a 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) 1. A manufacturer, distributor, or importer of malt beverages, or any contracted third-party agent thereof, may 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 any vendor authorized to sell alcoholic beverages by the drink for consumption on premises; or
- b. The licensed premises of any vendor authorized to sell alcoholic beverages only in sealed containers for consumption off premises if:
- (I) The licensed premises is at an establishment having at least 10,000 square feet of interior floor space exclusive of storage space not open to the general public; or
- (II) The licensed premises is a package store licensed under s. 565.02(1)(a) their product at a vendor's premises licensed for off-premises sales only.
- 2. A malt beverage tasting conducted under this paragraph must be limited to and directed toward the general public of the



age of legal consumption.

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- 3. For a malt beverage tasting conducted under this paragraph on the licensed premises of a vendor authorized to sell alcoholic beverages for consumption on premises, each serving of a malt beverage to be tasted must be provided to the consumer by the drink in a tasting cup, glass, or other open container and may not be provided by the package in an unopened can or bottle or in any other sealed container.
- 4. For a malt beverage tasting conducted under this paragraph on the licensed premises of a vendor authorized to sell alcoholic beverages only in sealed containers for consumption off premises, the tasting must be conducted in the interior of the building constituting the vendor's licensed premises and each serving of a malt beverage to be tasted must be provided to the consumer in a tasting cup having a capacity of 3.5 ounces or less.
- 5. A manufacturer, distributor, or importer, or any contracted third-party agent thereof, may not pay a vendor, and a vendor may not accept, a fee or compensation of any kind, including the provision of any malt beverage at no or reduced cost, to authorize the conduct of a malt beverage tasting under this paragraph.
- 6.a. A manufacturer, distributor, or importer, or any contracted third-party agent thereof, conducting a malt beverage tasting under this paragraph must provide all of the beverages to be tasted, the total volume of which per tasting may not exceed 576 ounces; must have paid all excise taxes on those beverages which are required of the manufacturer or distributor; and must return to the manufacturer's or distributor's inventory

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all of the malt beverages provided for the tasting that remain unconsumed after the tasting. More than one tasting may be held on the licensed premises each day, but only one manufacturer, distributor, importer, or contracted third-party agent thereof, may conduct a tasting on the premises at any one time.

- b. Any samples of malt beverages provided to a vendor by a manufacturer, distributor, or importer, or any contracted thirdparty agent thereof, in conjunction with or at the time of a tasting conducted under this paragraph on the licensed premises of that vendor are subject to the volume limit for that premises set forth under sub-subparagraph a.
- c. This subparagraph does not preclude a manufacturer, distributor, or importer, or any contracted third-party agent thereof, from buying the malt beverages it provides for the tasting from a vendor at no more than the retail price, but all of the malt beverages so purchased and provided for the tasting which remain unconsumed after the tasting must be removed from the premises of the tasting and properly disposed of.
- 7. A manufacturer, distributor, or importer of malt beverages that contracts with a third-party agent to conduct a malt beverage tasting under this paragraph on its behalf is responsible for any violation of this section by that agent.
- 8. This paragraph does not preclude a vendor from conducting a malt beverage tasting on its licensed premises using malt beverages from its own inventory.
- 9. This paragraph is supplemental to and does not supersede any special act or ordinance.
- 10. The division may, pursuant to ss. 561.08 and 561.11, adopt rules to implement, administer, and enforce this



paragraph.

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- (f) A manufacturer Manufacturers, distributor distributors, importer importers, brand owner owners, or brand registrant registrants of malt beverages beer, and any broker, sales agent, or sales person thereof or contracted third-party agent under paragraph (e), may shall not engage in cooperative advertising with a vendor and may not name a vendor in any advertising for a malt beverage tasting authorized under paragraph (e) vendors.
- (q) A distributor Distributors of malt beverages beer may 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 the a distributor may exchange any parts that which are not compatible with a competitor's system and are necessary to dispense the distributor's brands. A distributor of malt beverages 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.

Section 2. This act shall take effect July 1, 2014.

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========== T I T L E A M E N D M E N T ============= 148

149 And the title is amended as follows:

> Delete everything before the enacting clause and insert:

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A bill to be entitled

153 An act relating to malt beverage tastings; amending s.

154 561.42, F.S.; removing the prohibition on beer

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premises sales only; authorizing malt beverage tastings on the licensed premises of certain vendors, subject to certain requirements, limitations, liabilities, and penalties; providing construction with respect to special acts and ordinances; authorizing rulemaking; revising the prohibition on cooperative advertising with a vendor and prohibiting certain persons from naming vendors in advertising for malt beverage tastings; revising language to conform terminology and editorial style; providing an effective date.