

By the Committee on Regulated Industries; and Senators Steube, Brandes, and Hutson

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1 A bill to be entitled
2 An act relating to alcoholic beverages; amending s.
3 561.221, F.S.; providing that the ownership,
4 management, operation, or control of up to three
5 vendor's licenses for the sale of alcoholic beverages
6 by a designated Florida Craft Distillery is not
7 prohibited under specified laws; requiring the
8 Division of Alcoholic Beverages and Tobacco to issue
9 permits to designated Florida Craft Distilleries to
10 conduct certain tastings and sales; requiring such
11 distilleries to pay entry fees and have a
12 representative present during certain events;
13 authorizing the transfer of wine and distilled spirits
14 to vendors by specified wineries and distilleries
15 under certain circumstances; requiring the division to
16 approve certain storage areas; requiring wineries and
17 distilleries to report all such transfers to the
18 division and to include them in monthly excise tax
19 payments; amending s. 565.03, F.S.; redefining the
20 term "craft distillery"; specifying authorized
21 products for sale by craft distilleries; providing
22 limitations on retail sales by craft distilleries to
23 consumers; permitting craft distilleries to retain and
24 renew a vendor's license under specified
25 circumstances; authorizing craft distilleries to
26 transfer distilled spirits under certain conditions;
27 requiring the division to approve certain storage
28 areas; requiring distilleries to report all such
29 transfers to the division and to include them in
30 monthly excise tax payments; deleting certain
31 prohibitions on the transfer of a distillery license

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32 and affiliated ownership; authorizing craft
33 distilleries to apply for a sales room location under
34 certain circumstances; amending s. 565.17, F.S.;
35 authorizing craft distilleries to conduct tastings
36 under certain circumstances; providing an effective
37 date.

38
39 Be It Enacted by the Legislature of the State of Florida:

40
41 Section 1. Subsection (1) of section 561.221, Florida
42 Statutes, is amended to read:

43 561.221 Licensing of manufacturers and distributors as
44 vendors and of vendors as manufacturers; conditions and
45 limitations.-

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

60 (b) The Division of Alcoholic Beverages and Tobacco shall

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61 issue permits to a certified Florida Farm Winery or a designated
62 Florida Craft Distillery to conduct tasting and sales of wine or
63 distilled spirits produced by certified Florida Farm Wineries or
64 designated Florida Craft Distilleries at Florida fairs, trade
65 shows, expositions, and festivals. The certified Florida Farm
66 Winery or designated Florida Craft Distillery shall pay all
67 entry fees and shall have a winery or distillery representative
68 present during the event. The permit is limited to the length of
69 the event.

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

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

84 565.03 License fees; manufacturers, distributors, brokers,
85 sales agents, and importers of alcoholic beverages; vendor
86 licenses and fees; craft distilleries.-

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

88 (b) "Craft distillery" means a licensed distillery that
89 produces 250,000 ~~75,000~~ or fewer gallons per calendar year of

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90 distilled spirits on its premises and is designated as a craft
91 distillery by ~~has notified~~ the division upon notification in
92 writing of its decision to qualify as a craft distillery.

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

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

117 a. ~~Two individual containers of each branded product;~~

118 b. ~~Three individual containers of a single branded product~~

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119 ~~and up to one individual container of a second branded product,~~
120 ~~or~~

121 ~~e. Four individual containers of a single branded product.~~

122 2. Each container sold in face-to-face transactions with
123 consumers must comply with the container limits in s. 565.10~~7~~
124 ~~per calendar year for the consumer's personal use and not for~~
125 ~~resale and who are present at the distillery's licensed premises~~
126 ~~in this state.~~

127 3. A craft distillery licensed under this section must
128 report to the division within 5 days after it reaches the
129 production limitations provided in paragraph (1)(b). Any retail
130 sales to consumers at the craft distillery's licensed premises
131 are prohibited beginning the day after it reaches the production
132 limitation unless it has been issued a vendor's license at each
133 craft distillery and additional sales room authorized in s.
134 561.221. Notwithstanding any of the provisions of this section
135 or s. 561.221, a craft distillery which holds a vendor's license
136 may retain and renew such license, if such craft distillery
137 exceeds the production limitation in paragraph (1)(b).

138 4. A craft distillery licensed under this section may not
139 ship or arrange to ship any of its distilled spirits to
140 consumers and may sell and deliver only to consumers within the
141 state in a face-to-face transaction at the distillery property.
142 However, a craft distiller licensed under this section may ship,
143 arrange to ship, or deliver such spirits to manufacturers of
144 distilled spirits, wholesale distributors of distilled spirits,
145 state or federal bonded warehouses, and exporters.

146 5. A craft distillery may transfer distilled spirits it
147 manufactures from its federal bonded space or nonbonded space at

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148 its licensed premises or storage areas to its souvenir gift shop
149 and additional sales room. The division shall approve all
150 storage areas requested by the craft distillery which are
151 included in its current state bond. All such transfers of
152 distilled spirits shall be reported to the division pursuant to
153 s. 561.55 and included in the excise tax payment due the state
154 ~~Except as provided in subparagraph 6., it is unlawful to~~
155 ~~transfer a distillery license for a distillery that produces~~
156 ~~75,000 or fewer gallons per calendar year of distilled spirits~~
157 ~~on its premises or any ownership interest in such license to an~~
158 ~~individual or entity that has a direct or indirect ownership~~
159 ~~interest in any distillery licensed in this state; another~~
160 ~~state, territory, or country; or by the United States government~~
161 ~~to manufacture, blend, or rectify distilled spirits for beverage~~
162 ~~purposes.~~

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

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

173 565.17 Beverage tastings by distributors and vendors.—A
174 licensed distributor of spirituous beverages, or any vendor or
175 craft distillery, is authorized to conduct spirituous beverage
176 tastings upon any licensed premises authorized to sell

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177 spirituous beverages by package or for consumption on premises
178 without being in violation of s. 561.42, provided that the
179 conduct of the spirituous beverage tasting shall be limited to
180 and directed toward the general public of the age of legal
181 consumption.

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