546694

LEGISLATIVE ACTION Senate House Comm: RCS 01/09/2018

The Committee on Commerce and Tourism (Hutson) recommended the following:

Senate Amendment (with title amendment)

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Delete line 38

4 and insert:

> Section 4. Paragraph (b) of subsection (1) and paragraph (c) of subsection (2) of section 565.03, Florida Statutes, are amended to read:

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



- (1) As used in this section, the term:
- (b) "Craft distillery" means a licensed distillery that produces $250,000 \frac{75,000}{}$ or fewer gallons per calendar year of distilled spirits on its premises and is designated as a craft distillery by has notified the division upon notification in writing of its decision to qualify as a craft distillery.

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- (c) A craft distillery licensed under this section may sell to consumers, at its souvenir gift shop, up to 75,000 gallons per calendar year of branded products distilled on its premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption. Such sales are authorized only on private property contiquous to the licensed distillery premises in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery's license application. All sketch or diagram revisions by the distillery shall require the division's approval verifying that the souvenir gift shop location operated by the licensed distillery is owned or leased by the distillery and on property contiguous to the distillery's production building in this state.
- 1. A craft distillery may not sell any factory-sealed individual containers of spirits except in face-to-face sales transactions with consumers who are making a purchase of no more than six individual containers of each branded product.
- 2. Each container sold in face-to-face transactions with consumers must comply with the container limits in s. 565.10, per calendar year for the consumer's personal use and not for resale and who are present at the distillery's licensed premises



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- 3. A craft distillery must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(b). Any retail sales to consumers at the craft distillery's licensed premises are prohibited beginning the day after it reaches the production limitation.
- 4. A craft distillery may not ship or arrange to ship any of its distilled spirits to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distiller licensed under this section may ship, arrange to ship, or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, and exporters.
- 5. Except as provided in subparagraph 6., it is unlawful to transfer a distillery license for a distillery that produces $250,000 \frac{75,000}{}$ or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership interest in any distillery licensed in this state; another state, territory, or country; or by the United States government to manufacture, blend, or rectify distilled spirits for beverage purposes.
- 6. A craft distillery shall not have its ownership affiliated with another distillery, unless such distillery produces 250,000 75,000 or fewer gallons per calendar year of distilled spirits on each of its premises in this state or in another state, territory, or country.
 - 7. A craft distillery may transfer up to 75,000 gallons per



calendar year of distilled spirits it manufactures from its federal bonded space, nonbonded space at its licensed premises, or storage areas to its souvenir gift shop.

Section 5. This act shall take effect July 1, 2018.

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

And the title is amended as follows:

Delete line 9

77 and insert:

> for off-premises consumption; amending s. 565.03, F.S.; redefining the term "craft distillery"; providing limitations on retail sales by a craft distillery to consumers; providing that it is unlawful to transfer a distillery license, or ownership in a distillery license, for certain distilleries to certain individuals or entities; prohibiting a craft distillery from having its ownership affiliated with certain other distilleries; authorizing a craft distillery to transfer distilled spirits from certain locations to its souvenir gift shop; providing an effective