The Florida Senate HOUSE MESSAGE SUMMARY

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

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BILL: CS/HB 669

INTRODUCER: Reps. Perez and Beshears (CS/CS/SB 822 by Rules Committe; Commerce

and Tourism Committee; Regulated Industries Committee; and Senator Hutson)

SUBJECT: Beverage Law

DATE: March 9, 2018

I.Amendments Contained in Message:

House Amendment 1 – 117545 to Senate Amendment 1 – 267770 (body with title) **House Amendment 2 – 301937 to Senate Amendment 1 – 267770** (body with title)

II.Summary of Amendments Contained in Message:

House Amendment 1 exempts from the "tied house evil" prohibitions a written agreement between a manufacturer or importer of malt beverages and a theme park/alcoholic beverage vendor for brand naming rights, including the right to advertise cooperatively.

The agreement must be negotiated at arm's length for no more than fair market value; may not involve the sale or distribution of malt beverages; may not permit the vendor to give preferential treatment to the alcoholic beverage brand or brands of the manufacturer or importer; may not limit, directly or indirectly, the sale of alcoholic beverages from another manufacturer or importer, or distributor; and must be registered with the Division of Alcoholic Beverages and Tobacco (division) in the DBPR within 10 days of its execution.

A "theme park" is defined as a complex comprising at least 25 contiguous acres owned and controlled by the same business entity, which contains permanent exhibitions and a variety of recreational activities and has a minimum of 1 million visitors annually through a controlled entrance to and exit from the theme park complex.

The manufacturer or importer of malt beverages who is a party to a brand naming rights agreement may not, directly or indirectly, solicit or receive from any of its distributors any portion of the payment it owes to the vendor pursuant to the naming rights agreement. A brand naming rights agreement may not, directly or indirectly, obligate or place responsibility, financial or otherwise, upon a distributor.

The civil penalty for a first violation may not exceed \$25,000 and the civil penalty for a second violation during a 36 month period may not exceed \$100,000. The division may revoke or suspend an alcoholic beverage license after a third violation within a 36 month period. A civil penalty may not be greater than the financial value of the brand-naming rights agreement.

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The amendment also clarifies tied house evil prohibitions on vendor assistance.

House Amendment 2 1) repeals the limits on the size of a wine container; 2) clarifies that it is not unlawful for a person to possess a cider growler; and 3) deletes the provision 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.