

**By** the Committees on Commerce and Tourism; and Regulated Industries; and Senator Hutson

577-02138-21

202146c2

1                                   A bill to be entitled  
2       An act relating to craft distilleries; amending s.  
3       565.02, F.S.; defining the term "destination  
4       entertainment venue"; authorizing craft distilleries  
5       to be licensed as specified vendors under certain  
6       circumstances; providing requirements for such  
7       licenses; providing requirements for craft  
8       distilleries for such licenses; prohibiting a licensee  
9       from taking certain actions; requiring certain  
10      alcoholic beverages to be obtained through a licensed  
11      distributor; amending s. 565.03, F.S.; redefining the  
12      terms "branded product" and "craft distillery";  
13      prohibiting a distillery from operating as a craft  
14      distillery until certain requirements are met;  
15      authorizing persons to have common ownership in craft  
16      distilleries under certain circumstances; defining the  
17      term "common ownership"; requiring a minimum  
18      percentage of a craft distillery's total finished  
19      branded products to be distilled in this state and  
20      contain one or more Florida agricultural products  
21      after a specified date; revising the requirements and  
22      prohibitions on the sale of branded products to  
23      consumers by a licensed craft distillery; revising the  
24      circumstances for which a craft distillery must report  
25      certain information about the production of distilled  
26      spirits to the Division of Alcoholic Beverages and  
27      Tobacco of the Department of Business and Professional  
28      Regulation; revising prohibitions on the shipment of  
29      certain products by a craft distillery; revising

577-02138-21

202146c2

30 prohibitions on the transfer of a craft distillery  
31 license or ownership interest in such license;  
32 revising prohibitions relating to affiliated ownership  
33 of craft distilleries; authorizing a craft distillery  
34 to transfer specified distilled spirits from certain  
35 locations to its souvenir gift shop and tasting room;  
36 making technical changes; requiring the keeping of  
37 records for alcoholic beverages received from  
38 specified persons; amending s. 565.17, F.S.;

39 authorizing craft distilleries to conduct spirituous  
40 beverage tastings under certain circumstances;  
41 requiring the division to issue permits to craft  
42 distilleries to conduct tastings and sales at certain  
43 locations; specifying requirements for distilleries  
44 for such permits; providing an effective date.

45  
46 Be It Enacted by the Legislature of the State of Florida:

47  
48 Section 1. Present subsection (12) of section 565.02,  
49 Florida Statutes, is redesignated as subsection (13), and a new  
50 subsection (12) is added to that section, to read:

51 565.02 License fees; vendors; clubs; caterers; and others.-

52 (12) (a) As used in this subsection, the term "destination  
53 entertainment venue" means a venue that:

54 1. Is located in a designated community redevelopment area  
55 authorized under an adopted community redevelopment plan to  
56 support urban redevelopment and economic development;

57 2. Is owned by any person licensed as a craft distillery  
58 located within the destination entertainment venue;

577-02138-21

202146c2

59 3. Is adjacent to and served by multimodal transportation  
60 options, including, at a minimum, bicycle and pedestrian trails  
61 included on an adopted city or county trails map and mass  
62 transit routes established by a city, county, or regional  
63 transportation authority; and

64 4. Is located within a contiguous area of at least 15  
65 acres, including associated parking and stormwater requirements  
66 as required by local law, regulation, or ordinance, and that  
67 contains:

68 a. At least one indoor event venue with a minimum capacity  
69 of 150 people which is fully serviced by a connected onsite  
70 kitchen;

71 b. At least one outdoor event venue with a minimum capacity  
72 of 1,000 people which has regularly occurring live entertainment  
73 on a stage that is at least 12 feet deep and 16 feet wide; and

74 c. One or more licensed craft distilleries sharing  
75 identical ownership.

76 (b) Notwithstanding any other provisions of the Beverage  
77 Law, upon the payment of the appropriate fees, a craft  
78 distillery licensed in this state may be licensed as a vendor  
79 only for consumption on the premises of alcoholic beverages  
80 manufactured by other manufacturers and acquired through a  
81 distributor. The issuance of a license under this paragraph is  
82 not subject to any quota or limitation, except that the craft  
83 distillery must be:

84 1. Located on property within a destination entertainment  
85 venue; and

86 2. In operation and open for tours during normal business  
87 hours at least 5 days a week.

577-02138-21

202146c2

88       (c) The vendor license may be issued only for the premises  
89 included on the licensed premises sketch on file with the  
90 division under s. 565.03 for the craft distillery, including its  
91 souvenir gift shop or tasting room.

92       (d) No more than three craft distilleries may be licensed  
93 as a vendor in a community redevelopment area under this  
94 subsection. Craft distilleries licensed as a vendor under this  
95 subsection must be located within the same destination  
96 entertainment venue and must share identical ownership, and each  
97 craft distillery must distill, blend, or rectify at least 50,000  
98 gallons of branded products per calendar year.

99       (e) Except as otherwise provided in this paragraph, a craft  
100 distillery licensed as a vendor under this subsection shall be  
101 treated as a vendor and is subject to all provisions relating to  
102 such vendors licensed to sell alcoholic beverages for  
103 consumption on premises. A craft distillery licensed as a vendor  
104 may not make package sales for off-premises consumption or make  
105 any delivery or shipment of alcoholic beverages away from the  
106 destination entertainment venue or the craft distillery, unless  
107 such shipment or delivery is authorized for a craft distillery  
108 under s. 565.03.

109       (f) Alcoholic beverages manufactured by another licensed  
110 manufacturer, including branded products manufactured at another  
111 craft distillery location sharing identical ownership, must be  
112 obtained through a licensed distributor.

113       Section 2. Present subsections (6) and (7) of section  
114 565.03, Florida Statutes, are redesignated as subsections (7)  
115 and (8), respectively, a new subsection (6) is added to that  
116 section, and paragraphs (a) and (b) of subsection (1) and

577-02138-21

202146c2

117 subsections (2) and (5) of that section are amended, to read:

118 565.03 License fees; manufacturers, distributors, brokers,  
119 sales agents, and importers of alcoholic beverages; vendor  
120 licenses and fees; distilleries and craft distilleries.—

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

122 (a) "Branded product" means any distilled spirits product  
123 that:

124 1. Is owned by a craft distillery;

125 2. Contains distilled spirits that are manufactured by  
126 distilling, rectifying, or blending by the craft distillery on  
127 its licensed premises; and

128 3. Has ~~manufactured on site, which requires~~ a federal  
129 certificate and label approval by the Federal Government Alcohol  
130 Administration Act or federal regulations.

131 (b) "Craft distillery" means a licensed distillery in this  
132 state which distills, rectifies, or blends 250,000 ~~that produces~~  
133 75,000 or fewer gallons or less of distilled spirits per  
134 calendar year of distilled spirits on its premises and has  
135 notified the division in writing of its decision to qualify as a  
136 craft distillery.

137 (2) (a) A distillery may not operate as a craft distillery  
138 until the distillery has provided to the division written  
139 notification that it meets the criteria specified in paragraph  
140 (1) (b). Upon the division's receipt of the notification and its  
141 verification that the distillery meets all such criteria, the  
142 division shall add the designation of craft distiller on the  
143 distillery's license.

144 (b) A person may not share common ownership in more than 10  
145 craft distilleries, provided that no more than:

577-02138-21

202146c2

146 1. Four of the distilleries each distill, rectify, or blend  
147 250,000 gallons or less of distilled spirits per calendar year;  
148 and

149 2. Six of the distilleries each distill, rectify, or blend  
150 50,000 gallons or less of distilled spirits per calendar year.

151  
152 As used in this paragraph, the term "common ownership" means  
153 having a direct or indirect financial interest in two or more  
154 distilleries by the same person.

155 (c) Effective July 1, 2026, a minimum of 60 percent of a  
156 craft distillery's total finished branded products must be  
157 distilled in this state and contain one or more Florida  
158 agricultural products.

159 (d) A distillery or a craft distillery authorized to do  
160 business under the Beverage Law shall pay an annual state  
161 license tax for each plant or branch operating in the state, as  
162 follows:

163 1. A distillery engaged in the business of manufacturing  
164 distilled spirits: \$4,000.

165 2. A craft distillery engaged in the business of  
166 manufacturing distilled spirits: \$1,000.

167 3. A person engaged in the business of rectifying and  
168 blending spirituous liquors and nothing else: \$4,000.

169 (e) ~~(b)~~ A licensed distillery or licensed craft distillery  
170 may ~~Persons licensed under this section who are in the business~~  
171 ~~of distilling spirituous liquors may also~~ engage in the business  
172 of rectifying or ~~and~~ blending spirituous liquors without the  
173 payment of an additional license tax.

174 (f) ~~(e)~~ A craft distillery ~~licensed under this section~~ may

577-02138-21

202146c2

175 sell directly to consumers up to 75,000 gallons per calendar  
176 year of, ~~at its souvenir gift shop,~~ branded products that are  
177 manufactured by the craft distillery ~~distilled~~ on its premises.  
178 A craft distillery may sell branded products directly to  
179 consumers by the drink for consumption on the premises or by the  
180 package in factory-sealed containers for consumption off the  
181 premises in this state in factory-sealed containers that are  
182 ~~filled at the distillery for off-premises consumption.~~ Such  
183 sales are authorized only in the craft distillery's souvenir  
184 gift shop or tasting room located on private property contiguous  
185 to the licensed ~~distillery~~ premises. Branded products sold to  
186 consumers must have been distilled, rectified, or blended on the  
187 distillery premises that is located contiguous to the craft  
188 distillery's souvenir gift shop or tasting room. The souvenir  
189 gift shop or tasting room must be in this state and included on  
190 the sketch or diagram defining the licensed premises submitted  
191 with the distillery's license application. All sketch or diagram  
192 revisions by the distillery shall require the division's  
193 approval verifying that the locations of the souvenir gift shops  
194 and tasting rooms ~~shop location~~ operated by the licensed  
195 distillery are ~~is~~ owned or leased by the distillery and on  
196 property contiguous to the distillery's production building in  
197 this state.

198 1. Except as authorized under s. 565.17(2), a craft  
199 distillery may not sell any factory-sealed individual containers  
200 of spirits to consumers except in face-to-face sales  
201 transactions with such consumers at the craft distillery's  
202 licensed premises. Such branded products must be in compliance  
203 with the container limits under s. 565.10 and be intended for

577-02138-21

202146c2

204 ~~personal consumption rather than for resale who are making a~~  
205 ~~purchase of no more than six individual containers of each~~  
206 ~~branded product.~~

207 ~~2. Each container sold in face-to-face transactions with~~  
208 ~~consumers must comply with the container limits in s. 565.10,~~  
209 ~~per calendar year for the consumer's personal use and not for~~  
210 ~~resale and who are present at the distillery's licensed premises~~  
211 ~~in this state.~~

212 ~~3.~~ A craft distillery must report to the division within 5  
213 days after it exceeds ~~reaches~~ the production limits or is no  
214 longer operating under the requirements or limitations provided  
215 in paragraph (1)(b). Any retail sales of branded products by the  
216 drink or by the package to consumers at the craft distillery's  
217 licensed premises are prohibited beginning the day after it  
218 exceeds ~~reaches~~ the production limitation.

219 ~~3.4.~~ A craft distillery may not ship or arrange to ship any  
220 of its branded products or any other alcoholic beverages  
221 ~~distilled spirits~~ to consumers and may sell and deliver only to  
222 consumers within the state in a face-to-face transaction at the  
223 distillery property. However, a craft distillery ~~distiller~~  
224 licensed under this section may ship, arrange to ship, or  
225 deliver such spirits to any manufacturers of distilled spirits,  
226 wholesale distributors of distilled spirits, state or federal  
227 bonded warehouses, or ~~and~~ exporters.

228 ~~4.5.~~ Except as provided in subparagraph 5. ~~subparagraph 6.,~~  
229 it is unlawful to transfer a craft distillery license ~~for a~~  
230 ~~distillery that produces 75,000 or fewer gallons per calendar~~  
231 ~~year of distilled spirits on its premises~~ or any ownership  
232 interest in such license to an individual or entity that has a

577-02138-21

202146c2

233 direct or indirect ownership interest in any distillery that  
234 distills, rectifies, or blends 250,000 gallons or more per  
235 calendar year of distilled spirits under any license issued  
236 ~~licensed~~ in this state; in another state, territory, or country;  
237 or by the United States Government to distill ~~manufacture~~,  
238 blend, or rectify distilled spirits for beverage purposes.

239 ~~5.6.~~ Except as provided in paragraph (b), a craft  
240 distillery may ~~shall~~ not have its ownership affiliated with  
241 another distillery, unless such distillery is owned by an  
242 individual or entity that distills, rectifies, or blends 250,000  
243 gallons or less per calendar year of distilled spirits ~~produces~~  
244 ~~75,000 or fewer gallons per calendar year of distilled spirits~~  
245 on each of its premises in this state or in another state,  
246 territory, or country.

247 6. A craft distillery may transfer up to 75,000 gallons per  
248 calendar year of its branded products that it distills,  
249 rectifies, or blends from its federal bonded space, nonbonded  
250 space at its licensed premises, or storage areas to its souvenir  
251 gift shop and tasting room.

252 (5) A craft distillery making sales under paragraph (2) (f)  
253 ~~paragraph (2) (e)~~ is responsible for submitting any excise taxes  
254 due to the state on distilled spirits ~~on beverages~~ under the  
255 Beverage Law with ~~in~~ its monthly report to the division ~~with any~~  
256 ~~tax payments due to the state.~~

257 (6) A craft distillery shall keep complete and accurate  
258 records of all alcoholic beverages received from any point  
259 within or outside the state from another manufacturer, or from a  
260 broker or sales agent or importer, including any delivery  
261 invoice or other record of the common or contract carrier of

577-02138-21

202146c2

262 freight making the delivery of such alcoholic beverages. The  
263 records shall be kept and maintained for a period of 3 years, as  
264 required by s. 561.55.

265 Section 3. Section 565.17, Florida Statutes, is amended to  
266 read:

267 565.17 Beverage tastings by distributors, craft  
268 distilleries, and vendors.-

269 (1) A licensed distributor of spirituous beverages, a craft  
270 distillery as defined in s. 565.03, or any vendor, is authorized  
271 to conduct spirituous beverage tastings upon any licensed  
272 premises authorized to sell spirituous beverages by package or  
273 for consumption on premises without being in violation of s.  
274 561.42, provided that the conduct of the spirituous beverage  
275 tasting shall be limited to and directed toward the general  
276 public of the age of legal consumption.

277 (2) Craft distilleries may conduct tastings and sales of  
278 distilled spirits produced by the craft distilleries at Florida  
279 fairs, trade shows, farmers markets, expositions, and festivals.  
280 The division shall issue permits to craft distilleries for such  
281 tastings and sales. A craft distillery must pay all entry fees  
282 and must have a distillery representative present during the  
283 event. The permit is limited to the duration and physical  
284 location of the event.

285 Section 4. This act shall take effect July 1, 2021.