Bill No. HB 1451 (2022)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION (Y/N) ADOPTED ADOPTED AS AMENDED (Y/N) ADOPTED W/O OBJECTION (Y/N) FAILED TO ADOPT (Y/N) WITHDRAWN (Y/N) OTHER Committee/Subcommittee hearing bill: Regulatory Reform 1 2 Subcommittee 3 Representative DiCeglie offered the following: 4 5 Amendment (with title amendment) 6 Remove everything after the enacting clause and insert: 7 Section 1. Subsection (22) is added to section 561.01, 8 9 Florida Statutes, to read: 10 561.01 Definitions.-As used in the Beverage Law: (22) "Barrel" means a quantity of 31 gallons. 11 Section 2. Paragraph (a) of subsection (3) of section 12 561.221, Florida Statutes, is amended to read: 13 14 561.221 Licensing of manufacturers and distributors as 15 vendors and of vendors as manufacturers; conditions and limitations.-16 825227 - h1451-strike.docx Published On: 2/2/2022 11:40:48 AM Page 1 of 8

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17	(3)(a) Notwithstanding other provisions of the Beverage
18	Law, any vendor licensed in this state may be licensed as a
19	manufacturer of malt beverages upon a finding by the division
20	that:
21	1. The vendor will be engaged in brewing malt beverages at
22	a single location and in an amount which will not exceed 5,000
23	barrels of beer 10,000 kegs per year. For purposes of this
24	subsection, the term "keg" means 15.5 gallons.
25	2. The malt beverages so brewed will be sold to consumers
26	for consumption on the vendor's licensed premises or on
27	contiguous licensed premises owned by the vendor.
28	Section 3. Section 563.042, Florida Statutes, is created
29	to read:
30	563.042 Contract and Alternating Proprietorship Brewing
31	(1) As used in this section the term:
32	(a) "Alternating proprietorship brewing" means an
33	agreement between a guest brewer and host brewer wherein the
34	guest brewer manufactures malt beverages on the host brewer's
35	licensed premises.
36	(b) "Contract brewer" means a licensed manufacturer of
37	malt beverages who brews malt beverages on its licensed premises
38	for a contracting brewer.
39	(c) "Contract brewing" means an agreement wherein a
40	contracting brewer pays a contract brewer to produce malt
41	beverages.
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42	(d) "Contracting brewer" means a licensed manufacturer of
43	malt beverages who contracts for the services of a contract
44	brewer.
45	(e) "Guest brewer" means a licensed manufacturer of malt
46	beverages who brews malt beverages at a host brewer's licensed
47	premises.
48	(f) "Host brewer" means a licensed manufacturer of malt
49	beverages who allows a guest brewer to brew malt beverages on
50	the manufacturer's licensed premises.
51	(2) The contract brewer:
52	(a) May enter into multiple contract brewing agreements
53	for the purpose of manufacturing malt beverages.
54	(b) Shall comply with all applicable federal and state
55	laws, including labeling laws.
56	(c) Shall pay all federal and state taxes on malt
57	beverages manufactured pursuant to this section upon removal of
58	the malt beverages from its licensed premises.
59	(d) Retains title to malt beverages produced under a
60	contract brewing agreement until such beverages are removed from
61	its licensed premises.
62	(e) Shall ensure that the contracting brewer's malt
63	beverages remain separate and identifiable from all other malt
64	beverages at all times.
65	(f) Notwithstanding any other provision of the Beverage
66	Law, may transfer malt beverages to the contracting brewer in an
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67	amount up to the yearly production amount of the contracting
68	brewer's facility.
69	(g) Shall report to the division by the 10th day of each
70	month the volume of each label of malt beverages manufactured on
71	its licensed premises under the contract brewing agreement.
72	(3) The contracting brewer:
73	(a) May only engage in the manufacture of malt beverages
74	on its duly licensed premises and on the licensed premises of a
75	contract brewer disclosed under paragraph (4)(a).
76	(b) Shall report to the division by the 10th day of each
77	month the volume of each label of malt beverages manufactured on
78	the licensed premises of the contract brewer under the contract
79	brewing agreement.
80	(4) The contract brewer and contracting brewer:
81	(a) Must, before engaging in contract brewing, notify the
82	division, on forms provided by the division, of their intent to
83	operate as a contract brewer or contracting brewer and disclose
84	the location of the licensed premises where brewing will occur.
85	(b) Shall maintain all records required to be kept by
86	manufacturers of malt beverages under the Beverage Law.
87	(c) Notwithstanding any other provision of the Beverage
88	Law, shall comply with s. 561.221(2)(c).
89	(5) The host brewer shall report to the division by the
90	10th day of each month the volume of each label of malt

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91	beverages manufactured on its licensed premises under the
92	alternating proprietorship brewing agreement.
93	(6) The guest brewer:
94	(a) Shall comply with all applicable federal and state
95	laws, including labeling laws.
96	(b) Shall pay all federal and state taxes on malt
97	beverages manufactured pursuant to this section upon removal of
98	the malt beverages from the host brewer's licensed premises.
99	(c) Retains title to malt beverages manufactured under an
100	alternating proprietorship brewing agreement.
101	(d) Shall report to the division by the 10th day of each
102	month the volume of each label of malt beverages manufactured at
103	each licensed premises under each alternating proprietorship
104	brewing agreement.
105	(7) Before engaging in alternating proprietorship brewing,
106	the host brewer and guest brewer:
107	(a) Must each qualify as a brewer with the Alcohol and
108	Tobacco Tax and Trade Bureau under the U.S. Department of the
109	Treasury.
110	(b) Shall submit to the division, on forms provided by the
111	division, information identifying:
112	1. The host brewer.
113	2. The guest brewer.
114	3. The location where the alternating proprietorship
115	brewing will take place.
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116	4. The location where any product brewed pursuant to the
117	alternating proprietorship brewing agreement will be stored.
118	5. The amount of malt beverages to be produced under the
119	alternating proprietorship brewing agreement.
120	6. The timeframe in which the guest brewer will be
121	manufacturing malt beverages on the host brewer's licensed
122	premises.
123	7. Proof of occupancy rights to the host brewer's licensed
124	premises for the duration of the alternating proprietorship
125	brewing agreement.
126	8. Any other information reasonably deemed necessary by
127	the division to ensure the health, safety, and welfare of the
128	public or to ensure that all applicable taxes on the malt
129	beverages produced pursuant to an alternating proprietorship
130	brewing agreement are remitted to the state.
131	(8) Each entity engaged in the activities described in
132	this section shall maintain records including:
133	(a) Any agreement authorizing the manufacturing and
134	transfer of malt beverages.
135	(b) Records of the total volume, in gallons, manufactured
136	as part of the agreement.
137	(c) Any other records required by the Division to ensure
138	compliance with the provisions of the Beverage Law.

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139	(9) Manufacturers or vendors licensed pursuant to the s.
140	561.221(3)(a) may not engage in contract brewing or alternating
141	proprietorship brewing.
142	Section 4. Subsection (2) of section 563.045, Florida
143	Statutes, is amended to read:
144	563.045 Brands or labels to be registered; qualification
145	to do business; fee; revocation
146	(2) The each registrant shall pay an annual registration
147	fee <u>for a brand or label sold to a distributor is</u> of \$30 for a
148	brand or label. No other annual registration fee for a brand or
149	label is authorized under this section. Any registration may be
150	suspended or revoked in the same manner as a beverage license
151	for any violation of the Beverage Law.
152	Section 5. Subsection (2) of section 563.02, Florida
153	Statutes, is amended to read:
154	563.02 License fees; vendors; manufacturers and
155	distributors
156	(2) Each manufacturer engaged in the business of brewing
157	only malt beverages shall pay an annual state license tax of
158	\$3,000 for each plant or branch he or she may operate. However,
159	each manufacturer engaged in the business of brewing less than
160	5,000 barrels 10,000 kegs of malt beverages annually for
161	consumption on the premises pursuant to s. 561.221(3) shall pay
162	an annual state license tax of \$500 for each plant or branch.
163	Section 8. This act shall take effect July 1, 2022.
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166	TITLE AMENDMENT
167	Remove everything before the enacting clause and insert:
168	An act relating to malt beverages; amending s. 561.01, F.S.;
169	defining the term "barrel"; amending s. 561.221, F.S.; revising
170	the unit of measurement used for certain licensing purposes;
171	creating s. 563.042, F.S.; providing definitions; authorizing
172	certain manufacturers to enter into contract brewing and
173	alternating proprietorship brewing agreements; providing
174	responsibilities and requirements of parties under such
175	agreements; prohibiting specified parties from participating in
176	such agreements; authorizing the Division of Alcoholic Beverages
177	and Tobacco to adopt rules; amending s. 563.045, F.S.; providing
178	that the annual registration fee is required only if labels or
179	brands are sold to a distributor; specifying that no other
180	registration fee is authorized; amending s. 563.02, F.S.;
181	revising the unit of measurement used for certain fee purposes;
182	providing an effective date.

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