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A bill to be entitled An act relating to the Beverage Law; amending s. 561.01, F.S.; revising and providing definitions; amending s. 561.221, F.S.; authorizing manufacturers of malt beverages to transfer malt beverages to another manufacturer for brewing under certain conditions; specifying conditions under which licensed craft breweries may conduct tastings and sell malt beverages; deleting the definition of the term "keg"; revising a provision to limit the number of barrels, rather than kegs, of malt beverages certain vendors may brew annually; amending s. 561.37, F.S.; revising surety bond requirements for payment of taxes; removing provisions requiring surety bond payments for manufacturers; amending s. 212.08, 561.20, 561.4205, and 562.14, F.S.; conforming cross-references; amending s. 563.02, F.S.; revising a provision to limit the number of barrels, rather than kegs, of malt beverages certain manufacturers may brew annually; creating s. 563.042, F.S.; providing definitions; authorizing contract brewers to transfer malt beverages to contracting brewers and to contract with other contracting brewers if certain conditions are met; providing requirements for contract brewing and alternating proprietorship brewing; prohibiting

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26 certain manufacturers and vendors from engaging in 27 contract brewing or alternating proprietorship 28 brewing; authorizing rulemaking; amending s. 563.045, 29 F.S.; specifying instances in which certain manufacturers, brewers, bottlers, distributors, and 30 importers of malt beverages must register their names 31 32 and brands or labels that will be sold to a 33 distributor; providing an exception; amending ss. 34 768.36, 817.36, 856.015, and 1006.09, F.S.; conforming cross-references; providing an effective date. 35 36 37 Be It Enacted by the Legislature of the State of Florida: 38 Section 1. Section 561.01, Florida Statutes, is amended to 39 40 read: 41 561.01 Definitions.—As used in the Beverage Law: (1) (13) "Airport terminal" means the airport passenger 42 43 handling facilities or premises publicly owned or leased by a 44 county, municipality, or public authority at airports which have 45 been designated in the United States National Airport System 46 Plan, 49 U.S.C. s. 1711, as air carrier airports, commuter 47 airports, and reliever airports. 48 (2)(a)(4)(a) "Alcoholic beverages" means distilled spirits

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and all beverages containing one-half of 1 percent or more

CODING: Words stricken are deletions; words underlined are additions.

alcohol by volume.

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(b) The percentage of alcohol by volume shall be determined by measuring the volume of the standard ethyl alcohol in the beverage and comparing it with the volume of the remainder of the ingredients as though said remainder ingredients were distilled water.

(3) "Barrel" means 31 gallons.

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 $\underline{\text{(4)}}$ (6) "The Beverage Law" means this chapter and chapters 562, 563, 564, 565, 567, and 568.

(5) (15) "Bottle club" means a commercial establishment, operated for a profit, whether or not a profit is actually made, wherein patrons consume alcoholic beverages which are brought onto the premises and not sold or supplied to the patrons by the establishment, whether the patrons bring in and maintain custody of their own alcoholic beverages or surrender custody to the establishment for dispensing on the premises, and which is located in a building or other enclosed permanent structure. This term definition does not apply to sporting facilities where events sanctioned by nationally recognized regulatory athletic or sports associations are held, bona fide restaurants licensed by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation whose primary business is the service of full course meals, or hotels and motels licensed by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.

(6) (19) "Common carrier" means any person, firm, or

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corporation that undertakes for hire, as a regular business, the transportation of persons or commodities from place to place, offering its services to all who choose to employ it and pay its charges.

- $\underline{(7)}$ "Department" means the Department of Business and Professional Regulation.
- (8)(10) "Discount in the usual course of business" means a cash or spirituous or vinous beverage merchandise discount given pursuant to an agreement made at the time of sale. However, such agreement may shall not result in an accrued, accumulated, or retroactive discount. The same discounts shall be offered to all vendors of the same license series or type buying similar quantities. Any discount which is in violation of this section shall be considered an arrangement for financial assistance by gift.
- $\underline{(9)}$ "Division" means the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation.
- (10) (18) "Entertainment/resort complex" means a theme park comprised of at least 25 acres of land with permanent exhibitions and a variety of recreational activities, which has at least 1 million visitors annually who pay admission fees thereto, together with any lodging, dining, and recreational facilities located adjacent to, contiguous to, or in close proximity to the theme park, as long as the

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owner(s)/operators(s) of the theme park, or a parent or related company or subsidiary thereof, has an equity interest in the lodging, dining, or recreational facilities or is in privity therewith. Close proximity shall include an area within a 5-mile radius of the theme park complex.

- (11) (16) "Exporter" means any person that sells alcoholic beverages to persons for use outside the state and includes a ship's chandler and a duty-free shop.
- (12)(20) For purposes of license qualification pursuant to s. 561.20(2)(a)1. the term "Historic structure" means a structure that is listed on the National Register of Historic Places pursuant to the National Historic Preservation Act of 1966, or is within and contributes to a registered historic district pursuant to 26 U.S.C. s. 48(g)(3)(B), or has been found to meet the criteria of historical significance of the Division of Historical Resources of the Department of State, as certified by that division or by a locally established historic preservation board or commission, or like body, which has been granted authority to designate historically significant properties by the jurisdiction within which the hotel or motel is located.
- $\underline{(13)}$ "Intoxicating beverage" and "intoxicating liquor" mean only those alcoholic beverages containing more than 4.007 percent of alcohol by volume.
 - (14) (11) "Licensed premises" means not only rooms where

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alcoholic beverages are stored or sold by the licensee, but also all other rooms in the building which are so closely connected therewith as to admit of free passage from drink parlor to other rooms over which the licensee has some dominion or control and shall also include all of the area embraced within the sketch, appearing on or attached to the application for the license involved and designated as such on said sketch, in addition to that included or designated by general law. The area embraced within the sketch may include a sidewalk or other outside area which is contiguous to the licensed premises. When the sketch includes a sidewalk or other outside area, written approval from the county or municipality attesting to compliance with local ordinances must be submitted to the division to authorize inclusion of sidewalks and outside areas in licensed premises. The division may approve applications for temporary expansion of the licensed premises to include a sidewalk or other outside area for special events upon the payment of a \$100 application fee, stipulation of the timeframe for the special event, and submission of a sketch outlining the expanded premises and accompanied by written approval from the county or municipality as required in this subsection. All moneys collected from the fees assessed under this subsection shall be deposited into the Alcoholic Beverage and Tobacco Trust Fund.

(15) "Licensee" means a legal or business entity or_{τ} person or persons that holds hold a license issued by the

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division and $\underline{\text{meets}}$ $\underline{\text{meet}}$ the qualifications set forth in s. 152 561.15.

- (16) (7) "Manufacturer" means all persons who make alcoholic beverages except those who make beer or wine for personal or family consumption pursuant to s. 562.165.
- of not less than 200 seats, owned and operated by a not-for-profit corporation qualified as an exempt organization under the provisions of s. 501(c)(3) of the Internal Revenue Code of 1986 or of the corresponding section of a subsequently enacted federal revenue act, which is used and occupied to promote development of any or all of the performing, visual, or fine arts or any or all matters relating thereto and to encourage and cultivate public and professional knowledge and appreciation of the arts through:
- (a) The preparation, production, public presentation, or public exhibition of dramatic or musical works, dance, opera, motion pictures, television, music, recordings, or works of fine, performing, or visual arts of any nature;
- (b) The conducting of lectures, seminars, classes, or workshops for development of skills or techniques related to the practice or appreciation of any or all of these arts;
- (c) The broadcast or telecast of the performing or visual arts through whatever means is desirable, including, but not limited to, television, radio, cable, or the latest state-of-

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176 the-art media, equipment, or techniques;

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- (d) The reproduction of the performing, visual, or fine arts through motion pictures, videotapes, video disks, delayed presentations, sound recordings, or whatever in the future becomes a viable means or state-of-the-art;
- (e) The provision of banquet, concession, or other onpremises food and alcoholic and nonalcoholic beverage activities;
- (f) The conduct of retail activities reasonably related to the other uses of the facility;
- (g) The conduct of fundraising activities reasonably related to the arts;
- (h) The provision of auxiliary services for performing or visual artists, educators, students, or the public which are necessary or desirable to promote or facilitate the foregoing uses, including, but not limited to, the publication and dissemination of any or all materials related to the foregoing;
- (i) The conduct of rehearsals, conventions, meetings, or commercial or other activities; or
- (j) Such other activities for the promotion and development of the arts not described in paragraphs (a) (i) as the not-for-profit corporation determines, provided that no such activity is inconsistent with or otherwise violates any applicable statute, ordinance, or regulation.
 - (18) (21) "Railroad transit station" means a platform or a

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terminal facility where passenger trains operating on a guided rail system according to a fixed schedule between two or more cities regularly stop to load and unload passengers or goods. The term includes a passenger waiting lounge and dining, retail, entertainment, or recreational facilities within the licensed premises owned or leased by the railroad operator or owner.

- (19) (9) "Sale" and "sell" mean any transfer of an alcoholic beverage for a consideration, any gift of an alcoholic beverage in connection with, or as a part of, a transfer of property other than an alcoholic beverage for a consideration, or the serving of an alcoholic beverage by a club licensed under the Beverage Law.
- (20) (12) "Special airport license" means a vendor license to sell certain alcoholic beverages only on those airport premises which have been designated in the United States

 National Airport System Plan, 49 U.S.C. s. 1711, as air carrier airports, commuter airports, and reliever airports.
- $\underline{(21)}$ "State bonded warehouse" means any licensed warehouse used to store alcoholic beverages.
- (22) (8) (a) "Tax" means all taxes or payments required under the Beverage Law.
- (23) (b) "There shall be paid" means "there is hereby levied and imposed and shall be paid."
- Section 2. Paragraph (b) of subsection (4) of section 225 212.08, Florida Statutes, is amended to read:

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212.08 Sales, rental, use, consumption, distribution, and storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

- (4) EXEMPTIONS; ITEMS BEARING OTHER EXCISE TAXES, ETC.-
- (b) Alcoholic beverages and malt beverages are not exempt. The terms "alcoholic beverages" and "malt beverages" as used in this paragraph have the same meanings as ascribed to them in ss. 561.01 ss. 561.01(4) and 563.01, respectively. It is determined by the Legislature that the classification of alcoholic beverages made in this paragraph for the purpose of extending the tax imposed by this chapter is reasonable and just, and it is intended that such tax be separate from, and in addition to, any other tax imposed on alcoholic beverages.
- Section 3. Paragraphs (a) and (f) of subsection (2) of section 561.20, Florida Statutes, are amended to read:
 - 561.20 Limitation upon number of licenses issued.-
- (2)(a) The limitation of the number of licenses as provided in this section does not prohibit the issuance of a special license to:
- 1. Any bona fide hotel, motel, or motor court of not fewer than 80 guest rooms in any county having a population of less than 50,000 residents, and of not fewer than 100 guest rooms in

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any county having a population of 50,000 residents or greater; or any bona fide hotel or motel located in a historic structure, as defined in s. $561.01 \cdot \frac{561.01(20)}{10.01}$, with fewer than 100 guest rooms which derives at least 51 percent of its gross revenue from the rental of hotel or motel rooms, which is licensed as a public lodging establishment by the Division of Hotels and Restaurants; provided, however, that a bona fide hotel or motel with no fewer than 10 and no more than 25 guest rooms which is a historic structure, as defined in s. $561.01 \cdot \frac{561.01(20)}{10.01}$, in a municipality that on the effective date of this act has a population, according to the University of Florida's Bureau of Economic and Business Research Estimates of Population for 1998, of no fewer than 25,000 and no more than 35,000 residents and that is within a constitutionally chartered county may be issued a special license. This special license shall allow the sale and consumption of alcoholic beverages only on the licensed premises of the hotel or motel. In addition, the hotel or motel must derive at least 60 percent of its gross revenue from the rental of hotel or motel rooms and the sale of food and nonalcoholic beverages; provided that this subparagraph shall supersede local laws requiring a greater number of hotel rooms;

2. Any condominium accommodation of which no fewer than 100 condominium units are wholly rentable to transients and which is licensed under chapter 509, except that the license shall be issued only to the person or corporation that operates

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the hotel or motel operation and not to the association of condominium owners;

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- 3. Any condominium accommodation of which no fewer than 50 condominium units are wholly rentable to transients, which is licensed under chapter 509, and which is located in any county having home rule under s. 10 or s. 11, Art. VIII of the State Constitution of 1885, as amended, and incorporated by reference in s. 6(e), Art. VIII of the State Constitution, except that the license shall be issued only to the person or corporation that operates the hotel or motel operation and not to the association of condominium owners;
- 4. A bona fide food service establishment that has a minimum of 2,000 square feet of service area, is equipped to serve meals to 120 persons at one time, has at least 120 physical seats available for patrons to use during operating hours, holds itself out as a restaurant, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter. Subsequent audit timeframes must be based upon the audit percentage established by the most recent audit and conducted on a staggered scale as follows: level 1, 51 percent to 60 percent, every year; level 2, 61 percent to 75 percent, every 2 years; level 3, 76 percent to 90 percent, every 3 years; and level 4, 91 percent to 100 percent, every 4 years. A

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licensee under this subparagraph may sell or deliver alcoholic beverages in a sealed container for off-premises consumption if the sale or delivery is accompanied by the sale of food within the same order. Such authorized sale or delivery includes winebased and liquor-based beverages prepared by the licensee or its employee and packaged in a container sealed by the licensee or its employee. This subparagraph may not be construed to authorize public food service establishments licensed under this subparagraph to sell a bottle of distilled spirits sealed by a manufacturer. Any sale or delivery of malt beverages must comply with the container size, labeling, and filling requirements imposed under s. 563.06. Any delivery of an alcoholic beverage under this subparagraph must comply with s. 561.57. An alcoholic beverage drink prepared by the vendor and sold or delivered for consumption off the premises must be placed in a container securely sealed by the licensee or its employees with an unbroken seal that prevents the beverage from being immediately consumed before removal from the premises. Such alcoholic beverage also must be placed in a bag or other container that is secured in such a manner that it is visibly apparent if the container has been subsequently opened or tampered with, and a dated receipt for the alcoholic beverage and food must be provided by the licensee and attached to the bag or container. If transported in a motor vehicle, an alcoholic beverage that is not in a container sealed by the manufacturer must be placed in

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a locked compartment, a locked trunk, or the area behind the last upright seat of a motor vehicle. It is a violation of the prohibition in s. 562.11 to allow any person under the age of 21 to deliver alcoholic beverages on behalf of a vendor. The vendor or the agent or employee of the vendor must verify the age of the person making the delivery of the alcoholic beverage before allowing any person to take possession of an alcoholic beverage for the purpose of making a delivery on behalf of a vendor under this section. A food service establishment granted a special license on or after January 1, 1958, pursuant to general or special law may not operate as a package store and may not sell intoxicating beverages under such license after the hours of serving or consumption of food have elapsed. Failure by a licensee to meet the required percentage of food and nonalcoholic beverage gross revenues during the covered operating period shall result in revocation of the license or denial of the pending license application. A licensee whose license is revoked or an applicant whose pending application is denied, or any person required to qualify on the special license application, is ineligible to have any interest in a subsequent application for such a license for a period of 120 days after the date of the final denial or revocation;

5. Any caterer, deriving at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages at each catered event, licensed by the Division of

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Hotels and Restaurants under chapter 509. This subparagraph does not apply to a culinary education program, as defined in s. 381.0072(2), which is licensed as a public food service establishment by the Division of Hotels and Restaurants and provides catering services. Notwithstanding any law to the contrary, a licensee under this subparagraph shall sell or serve alcoholic beverages only for consumption on the premises of a catered event at which the licensee is also providing prepared food, and shall prominently display its license at any catered event at which the caterer is selling or serving alcoholic beverages. A licensee under this subparagraph shall purchase all alcoholic beverages it sells or serves at a catered event from a vendor licensed under s. 563.02(1), s. 564.02(1), or licensed under s. 565.02(1) subject to the limitation imposed in subsection (1), as appropriate. A licensee under this subparagraph may not store any alcoholic beverages to be sold or served at a catered event. Any alcoholic beverages purchased by a licensee under this subparagraph for a catered event that are not used at that event must remain with the customer; provided that if the vendor accepts unopened alcoholic beverages, the licensee may return such alcoholic beverages to the vendor for a credit or reimbursement. Regardless of the county or counties in which the licensee operates, a licensee under this subparagraph shall pay the annual state license tax set forth in s. 565.02(1)(b). A licensee under this subparagraph must maintain

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for a period of 3 years all records and receipts for each catered event, including all contracts, customers' names, event locations, event dates, food purchases and sales, alcoholic beverage purchases and sales, nonalcoholic beverage purchases and sales, and any other records required by the department by rule to demonstrate compliance with the requirements of this subparagraph. Notwithstanding any law to the contrary, any vendor licensed under s. 565.02(1) subject to the limitation imposed in subsection (1), may, without any additional licensure under this subparagraph, serve or sell alcoholic beverages for consumption on the premises of a catered event at which prepared food is provided by a caterer licensed under chapter 509. If a licensee under this subparagraph also possesses any other license under the Beverage Law, the license issued under this subparagraph may not authorize the holder to conduct activities on the premises to which the other license or licenses apply that would otherwise be prohibited by the terms of that license or the Beverage Law. This section does not permit the licensee to conduct activities that are otherwise prohibited by the Beverage Law or local law. The Division of Alcoholic Beverages and Tobacco is hereby authorized to adopt rules to administer the license created in this subparagraph, including to include rules governing licensure, recordkeeping, and enforcement. The first \$300,000 in fees collected by the division each fiscal year pursuant to this subparagraph shall be deposited in the

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Department of Children and Families' Operations and Maintenance Trust Fund to be used only for alcohol and drug abuse education, treatment, and prevention programs. The remainder of the fees collected shall be deposited into the Hotel and Restaurant Trust Fund created pursuant to s. 509.072; or

6. A culinary education program as defined in s. 381.0072(2) which is licensed as a public food service establishment by the Division of Hotels and Restaurants.

- a. This special license shall allow the sale and consumption of alcoholic beverages on the licensed premises of the culinary education program. The culinary education program shall specify designated areas in the facility where the alcoholic beverages may be consumed at the time of application. Alcoholic beverages sold for consumption on the premises may be consumed only in areas designated under $\underline{s.\ 561.01}\ \underline{s.\ 561.01(11)}$ and may not be removed from the designated area. Such license shall be applicable only in and for designated areas used by the culinary education program.
- b. If the culinary education program provides catering services, this special license shall also allow the sale and consumption of alcoholic beverages on the premises of a catered event at which the licensee is also providing prepared food. A culinary education program that provides catering services is not required to derive at least 51 percent of its gross revenue from the sale of food and nonalcoholic beverages.

Notwithstanding any law to the contrary, a licensee that provides catering services under this sub-subparagraph shall prominently display its beverage license at any catered event at which the caterer is selling or serving alcoholic beverages. Regardless of the county or counties in which the licensee operates, a licensee under this sub-subparagraph shall pay the annual state license tax set forth in s. 565.02(1)(b). A licensee under this sub-subparagraph must maintain for a period of 3 years all records required by the department by rule to demonstrate compliance with the requirements of this sub-subparagraph.

- c. If a licensee under this subparagraph also possesses any other license under the Beverage Law, the license issued under this subparagraph does not authorize the holder to conduct activities on the premises to which the other license or licenses apply that would otherwise be prohibited by the terms of that license or the Beverage Law. This subparagraph does not permit the licensee to conduct activities that are otherwise prohibited by the Beverage Law or local law. Any culinary education program that holds a license to sell alcoholic beverages shall comply with the age requirements set forth in ss. 562.11(4), 562.111(2), and 562.13.
- d. The Division of Alcoholic Beverages and Tobacco may adopt rules to administer the license created in this subparagraph, to include rules governing licensure,

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451 recordkeeping, and enforcement.

e. A license issued pursuant to this subparagraph does not permit the licensee to sell alcoholic beverages by the package for off-premises consumption.

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However, any license heretofore issued to any such hotel, motel, motor court, or restaurant or hereafter issued to any such hotel, motel, or motor court, including a condominium accommodation, under this section the general law may not be moved to a new location, such license being valid only on the premises of such hotel, motel, motor court, or restaurant. Licenses issued to hotels, motels, motor courts, or restaurants under the general law and held by such hotels, motels, motor courts, or restaurants on May 24, 1947, shall be counted in the quota limitation contained in subsection (1). Any license issued for any hotel, motel, or motor court under this section law shall be issued only to the owner of the hotel, motel, or motor court or, in the event the hotel, motel, or motor court is leased, to the lessee of the hotel, motel, or motor court; and the license shall remain in the name of the owner or lessee so long as the license is in existence. Any special license now in existence heretofore issued under this section law cannot be renewed except in the name of the owner of the hotel, motel, motor court, or restaurant or, in the event the hotel, motel, motor court, or restaurant is leased, in the name of the lessee

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of the hotel, motel, motor court, or restaurant in which the license is located and must remain in the name of the owner or lessee so long as the license is in existence. Any license issued under this section shall be marked "Special," and nothing herein provided shall limit, restrict, or prevent the issuance of a special license for any restaurant or motel which shall hereafter meet the requirements of the law existing immediately before the effective date of this act, if construction of such restaurant has commenced before the effective date of this act and is completed within 30 days thereafter, or if an application is on file for such special license at the time this act takes effect; and any such licenses issued under this section provise may be annually renewed as now provided by law. Nothing herein prevents an application for transfer of a license to a bona fide purchaser of any hotel, motor court, or restaurant by the purchaser of such facility or the transfer of such license pursuant to law.

(f) In addition to the exceptions set forth in this subsection, no such limitation of the number of licenses as herein provided shall prohibit the issuance of special airport licenses as defined in $\underline{s. 561.01} \ \underline{s. 561.01(12)}$ to restaurants that are a part of, or serve, publicly owned or leased airports. The special airport license provided for herein shall allow for consumption within designated areas of the airport terminal as defined in $\underline{s. 561.01(13)}$. Any holder of such special

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license located at a publicly owned and operated airport may sell and serve alcoholic beverages for consumption on the premises to the general public under such license in not more than four places or locations in control of the holder of such license. Any license so issued may not be transferred to a new location, except that a vendor operating a place of business under a special license may transfer such license when the publicly owned or leased airport at which the vendor operates a place of business under a special license moves its terminal facilities on the same airport premises, or when the airport is required by law to move its entire operation to a new location. Any license so issued shall entitle the vendor operating a place of business under such license to sell to airlines vinous beverages and distilled spirits in sealed miniature containers and other alcoholic beverages for consumption on the aircraft using the facility, but only for consumption by the passengers of the aircraft when such aircraft is airborne.

Section 4. Paragraph (c) of subsection (2) and paragraph (a) of subsection (3) of section 561.221, Florida Statutes, are amended, and paragraph (f) is added to subsection (2) of that section, to read:

561.221 Licensing of manufacturers and distributors as vendors and of vendors as manufacturers; conditions and limitations.—

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- Law, a manufacturer holding multiple manufacturing licenses may transfer malt beverages to a licensed facility, as provided in s. 563.022(14)(d), in an amount up to the yearly production amount at the receiving facility. Malt beverages and other alcoholic beverages that are manufactured under contract or by an alternating proprietorship by another licensed manufacturer and, including any malt beverages that are owned in whole or in part by the manufacturer may be transferred to the licensed facility as provided in s. 563.022(14)(d). Malt beverages and other alcoholic beverages that are not owned by the manufacturer and that but are brewed by another manufacturer, must be obtained through a licensed distributor that is not also a licensed manufacturer, a licensed broker or sales agent, or a licensed importer.
- (f) A craft brewery licensed under this subsection may conduct tastings and sell malt beverages produced by the craft brewery at state fairs, trade shows, farmers markets, expositions, and festivals. The division shall issue permits to craft breweries for such tastings and sales. A craft brewery must pay all entry fees and must have a representative of the craft brewery present during the event. A permit issued under this paragraph is limited to the duration and physical location of the event.
 - (3)(a) Notwithstanding other provisions of the Beverage

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Law, any vendor licensed in this state may be licensed as a manufacturer of malt beverages upon a finding by the division that:

- 1. The vendor will be engaged in brewing malt beverages at a single location and in an amount which will not exceed <u>5,000</u> barrels <u>10,000 kegs</u> per year. For purposes of this subsection, the term "keg" means <u>15.5 gallons</u>.
- 2. The malt beverages so brewed will be sold to consumers for consumption on the vendor's licensed premises or on contiguous licensed premises owned by the vendor.

Section 5. Section 561.37, Florida Statutes, is amended to read:

each distributor shall file with the division a surety bond acceptable to the division in the sum of \$25,000 as surety for the payment of all taxes, provided, however, that when in the discretion of the division the amount of business done by the manufacturer or distributor is of such volume that a bond of less than \$25,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than \$25,000, but in no event shall it accept a bond of less than \$10,000, and it may at any time in its discretion require any bond in an amount less than \$25,000 to be increased so as not to exceed \$25,000; provided, however, that the amount of bond required for a brower shall be

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\$20,000, except that where, in the discretion of the division, the amount of business done by the brewer is of such volume that a bond of less than \$20,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than \$20,000, but in no event shall it accept a bond of less than \$10,000, and it may at any time in its discretion require any bond in an amount less than \$20,000 to be increased so as not to exceed \$20,000; provided further that the amount of the bond required for a wine or wine and cordial manufacturer shall be \$5,000, except that, in the case of a manufacturer engaged solely in the experimental manufacture of wines and cordials from Florida products, where in the discretion of the division the amount of business done by such manufacturer is of such volume that a bond of less than \$5,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than \$5,000, but in no event shall it accept a bond of less than \$1,000 and it may at any time in discretion require a bond in an amount be increased so as not to exceed \$5,000; provided, however further, that the amount of bond required for a distributor who sells only beverages containing not more than 4.007 percent of alcohol by volume, in counties where the sale of intoxicating liquors, wines, and beers is prohibited, and to distributors who sell only beverages containing not more than 17.259 percent of

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alcohol by volume and wines regardless of alcoholic content, in counties where the sale of intoxicating liquors, wines, and beers is permitted, shall file with the division a surety bond acceptable to the division in the sum of \$25,000, as surety for the payment of all taxes; provided, however, that where in the discretion of the division the amount of business done by such distributor is of such volume that a bond of less than \$25,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a less sum than \$25,000, but in no event shall it accept a bond less than \$1,000, and it may at any time in its discretion require any bond in an amount less than \$25,000 to be increased so as not to exceed \$25,000; provided, further, that the amount of bond required for a distributor in a county having a population of 15,000 or less who procures a license by which his or her sales are restricted to distributors and vendors who have obtained licenses in the same county, shall be \$5,000.

Section 6. Subsection (2) of section 561.4205, Florida Statutes, is amended to read:

- 561.4205 Keg deposits; limited alternative inventory and reconciliation process.—
- (2) In lieu of receiving a keg deposit, a distributor selling alcoholic beverages by recyclable keg or other similar reusable container for the purpose of sale in draft form to a vendor identified in $\underline{s. 561.01}$ $\underline{s. 561.01(18)}$ or $\underline{s. 565.02(6)}$ or

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(7) shall implement an inventory and reconciliation process with such vendor in which an accounting of kegs is completed and any loss or variance in the number of kegs is paid for by the vendor on a per-keg basis equivalent to the required keg deposit. This inventory and reconciliation process may occur twice per year, at the discretion of the distributor, but must occur at least annually. Upon completion of an agreed upon keg inventory and reconciliation, the vendor shall remit payment within 15 days after receiving an invoice from the distributor. The vendor may choose to establish and fund a separate account with the distributor for the purpose of expediting timely payments.

Section 7. Subsection (2) of section 562.14, Florida Statutes, is amended to read:

- 562.14 Regulating the time for sale of alcoholic and intoxicating beverages; prohibiting use of licensed premises.—
- ordinance, no vendor issued an alcoholic beverage license to sell alcoholic beverages for consumption on the vendor's licensed premises and whose principal business is the sale of alcoholic beverages, shall allow the licensed premises, as defined in <u>s. 561.01</u> <u>s. 561.01(11)</u>, to be rented, leased, or otherwise used during the hours in which the sale of alcoholic beverages is prohibited. However, this prohibition shall not apply to the rental, lease, or other use of the licensed premises on Sundays after 8 a.m. Further, neither this

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subsection, nor any local ordinance adopted pursuant to this subsection, shall be construed to apply to a theme park complex as defined in s. 565.02(6) or an entertainment/resort complex as defined in $\underline{s.\ 561.01}$ $\underline{s.\ 561.01(18)}$.

Section 8. Subsection (2) of section 563.02, Florida Statutes, is amended to read:

563.02 License fees; vendors; manufacturers and distributors.—

- (2) Each manufacturer engaged in the business of brewing only malt beverages shall pay an annual state license tax of \$3,000 for each plant or branch he or she may operate. However, each manufacturer engaged in the business of brewing less than 60,000 barrels 10,000 kegs of malt beverages annually pursuant to s. 561.221(2) or for consumption on the premises pursuant to s. 561.221(3) shall pay an annual state license tax of \$500 for each plant or branch.
- Section 9. Section 563.042, Florida Statutes, is created to read:
 - 563.042 Contract brewing and alternating proprietorship brewing.—
 - (1) As used in this section, the term:
 - (a) "Alternating proprietorship brewing" means an agreement between a host brewer and a guest brewer in which the guest brewer manufactures malt beverages at the host brewer's licensed premises.

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	(b)	"Con	tract	brewe	er" me	eans	a lic	ense	ed ma	anufactur	er of	
malt	beve	rages	who	brews	malt	beve	erages	on	its	licensed	premise	es
for a	a con	tract	ing k	orewer.	<u>.</u>							

- (c) "Contract brewing" means an agreement between a contract brewer and a contracting brewer in which the contract brewer brews malt beverages on its licensed premises for the contracting brewer.
- (d) "Contracting brewer" means a licensed manufacturer of malt beverages who contracts for the brewing of malt beverages.
- (e) "Guest brewer" means a licensed manufacturer of malt beverages who brews malt beverages at a host brewer's licensed premises.
- (f) "Host brewer" means a licensed manufacturer of malt beverages who allows a guest brewer to brew malt beverages at the host brewer's licensed premises.
- (2) Notwithstanding any other provision of the Beverage
 Law, a contract brewer may transfer beer or malt beverages to a
 contracting brewer in an amount up to the yearly production
 amount at a contracting brewer's facility pursuant to contract
 brewing in accordance with this section and as provided in s.
 563.022(2)(c).
- (3) A contract brewer may contract with one or more contracting brewers to manufacture beer or malt beverages for the contract brewer. The contract brewer is responsible for complying with all federal and state laws dealing with the

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manufacturing of beer, including labeling laws, and is responsible for the payment of all federal and state taxes on any beer manufactured pursuant to this section after removing the beer from the manufacturer's licensed premises. Title to the malt beverages remains with the contract brewer until the malt beverages are removed from the licensed premises.

- (4) Each entity engaged in the activities described in this section must maintain records including the agreement authorizing the manufacturing and transfer of malt beverages, the records of the amount manufactured as part of the agreement, and any other records required by the division to ensure compliance with the Beverage Law.
- (5) Licensed manufacturers of malt beverages intending to engage in contract brewing shall:
- (a) Notify the division of their intent to operate as a contract brewer or contracting brewer before engaging in contract brewing and disclose the location of the licensed premises where brewing will occur on forms provided by the division. Contracting brewers may only engage in the manufacture of malt beverages at their duly licensed premises and at the disclosed licensed premises of a contract brewer.
- (b) Complete and submit a report to the division by the

 10th day of each month. Contract brewers must report the volume
 of each label of malt beverages manufactured on its licensed
 premises. Contracting brewers shall report the volume of each

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726 <u>label of malt beverages manufactured at the licensed premises of</u>
727 <u>the contract brewer.</u>

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- (c) Maintain all records as required by manufacturers of malt beverages under the Beverage Law.
- (6) Before engaging in alternating proprietorship brewing, each entity seeking to become a host brewer or a quest brewer must qualify as a brewer with the National Revenue Center within the United States Department of the Treasury and submit the following information to the division on a form approved by the division: the name of the host brewer, the name of the guest brewer, the location where the alternating proprietorship brewing will take place, the location where any product brewed pursuant to the alternating proprietorship brewing will be stored, the amount of malt beverages to be produced under the alternating proprietorship brewing, the timeframe in which the quest brewer will be manufacturing malt beverages on the host brewer's licensed premises, proof of occupancy rights to the host brewer's licensed premises for the duration of the alternating proprietorship brewing, and any other information reasonably deemed necessary by the division to ensure the health, safety, and welfare of people in the state, or to ensure that all applicable taxes on the malt beverages produced pursuant to alternating proprietorship brewing are remitted to the state.
 - (7) Each contracting brewer's malt beverages must remain

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751 <u>separate and identifiable from the beer of the other tenants at</u>
752 the contract brewer's licensed premises at all times.

- (8) Each guest brewer must complete and submit a report to the division by the 10th day of each month. Guest brewers must report the volume of each label of malt beverages manufactured on each licensed premises. Host brewers must report the volume of each label of malt beverages manufactured on the licensed premises of the host brewer.
- (9) The guest brewer is responsible for complying with all federal and state laws dealing with the manufacturing of beer, including labeling laws, and is responsible for paying all federal and state taxes on any beer manufactured pursuant to this section after removing the beer from the manufacturer's licensed premises. Title to the malt beverages remains with the guest brewer.
- (10) Manufacturers or vendors licensed pursuant to s. 561.221(3) may not engage in contract brewing or alternating proprietorship brewing.
- (11) The division may adopt rules and forms pursuant to ss. 120.536(1) and 120.54 to implement this section.
- Section 10. Subsection (1) of section 563.045, Florida Statutes, is amended to read:
- 563.045 Brands or labels to be registered; qualification to do business; fee; revocation.—
 - (1) A No manufacturer, brewer, bottler, distributor, or

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importer of malt beverages, whether licensed under the beverage laws of this state or not, may not shall sell or offer for sale in this state, or move or cause to be moved within this state or into this state, any malt beverages, without first qualifying to do business in the state and registering its name and the brands or labels that will be sold to a distributor under which the malt beverages are to be sold or moved and furnishing such samples and information as to content, quality, and formula of such malt beverages as the division may require. Brands or labels that are not sold to a distributor do not need to be registered.

Section 11. Paragraph (a) of subsection (1) of section 768.36, Florida Statutes, is amended to read:

768.36 Alcohol or drug defense.-

- (1) As used in this section, the term:
- (a) "Alcoholic beverage" means distilled spirits and any beverage that contains 0.5 percent or more alcohol by volume as determined in accordance with s. 561.01(2) (b) $\frac{1}{500}$ s. $\frac{1}{500}$ s. $\frac{1}{500}$ (c) $\frac{1}{500}$ s. $\frac{1}{500}$ (d) $\frac{1}{500}$ s. $\frac{1}{500}$ (e) $\frac{1}{500}$ s. $\frac{1}{500}$ (e) $\frac{1}{500}$ s. $\frac{1}{500}$ (e) $\frac{1}{500}$ s. $\frac{1}{500}$ (f) $\frac{1}{500}$ s. $\frac{1}{500}$ (e) $\frac{1}{500}$ s. $\frac{1}{500}$ (f) $\frac{1}{500}$ s. $\frac{1}{500}$ (f) $\frac{1}{500}$ s. $\frac{1}{500}$ (f) $\frac{1}{500}$ s. $\frac{1}$
- Section 12. Paragraph (b) of subsection (1) of section 817.36, Florida Statutes, is amended to read:
 - 817.36 Resale of tickets.-
- (1) A person or entity that offers for resale or resells any ticket may charge only \$1 above the admission price charged therefor by the original ticket seller of the ticket for the following transactions:

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(b) Multiday or multievent tickets to a park or	
entertainment complex or to a concert, entertainment event,	
permanent exhibition, or recreational activity within such a	
park or complex, including an entertainment/resort complex a	S
defined in s. 561.01 s. 561.01(18) .	

Section 13. Paragraph (a) of subsection (1) of section 856.015, Florida Statutes, is amended to read:

856.015 Open house parties.-

- (1) Definitions.—As used in this section:
- (a) "Alcoholic beverage" means distilled spirits and any beverage containing 0.5 percent or more alcohol by volume. The percentage of alcohol by volume shall be determined in accordance with $\underline{s.\ 561.01(2)}$ (b) the provisions of $\underline{s.}$ $\underline{561.01(4)}$ (b).

Section 14. Subsection (8) of section 1006.09, Florida Statutes, is amended to read:

- 1006.09 Duties of school principal relating to student discipline and school safety.—
- (8) The school principal shall require all school personnel to report to the principal or principal's designee any suspected unlawful use, possession, or sale by a student of any controlled substance, as defined in s. 893.02; any counterfeit controlled substance, as defined in s. 831.31; any alcoholic beverage, as defined in $\underline{s. 561.01} \ \underline{s. 561.01(4)};$ or model glue. School personnel are exempt from civil liability when reporting

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in good faith to the proper school authority such suspected unlawful use, possession, or sale by a student. Only a principal or principal's designee is authorized to contact a parent or legal guardian of a student regarding this situation. Reports made and verified under this subsection shall be forwarded to an appropriate agency. The principal or principal's designee shall timely notify the student's parent that a verified report made under this subsection with respect to the student has been made and forwarded.

Section 15. This act shall take effect July 1, 2024.

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