

1                   A bill to be entitled  
2           An act relating the Beverage Law; amending s. 561.221,  
3           F.S.; authorizing the division to issue vendor's  
4           licenses to certain craft distilleries for the sale of  
5           alcoholic beverages on the distillery's licensed  
6           premises; requiring that the licensed vendor premises  
7           be included on certain sketches and diagrams under  
8           certain circumstances; requiring that all revisions to  
9           sketches or diagrams be approved by the division;  
10          requiring the division to issue permits to craft  
11          distilleries for conducting tastings and sales at  
12          certain events; requiring craft distilleries to pay  
13          entry fees for such events and have a representative  
14          of the distillery present at each event; requiring  
15          that certain alcoholic beverages be obtained through a  
16          licensed distributor, a licensed broker or sales  
17          agent, or a licensed importer; amending s. 561.24,  
18          F.S.; authorizing a craft distillery to be licensed as  
19          a distributor under certain circumstances; amending s.  
20          561.42, F.S.; prohibiting certain entities and persons  
21          from directly or indirectly assisting or providing  
22          specified items, monies, or services to a licensed  
23          vendor; prohibiting a licensed vendor from accepting  
24          specified items, monies, or services from certain  
25          entities or persons; authorizing the Division of

26 | Alcoholic Beverages and Tobacco adopt rules and  
27 | require reports to enforce, and to impose  
28 | administrative sanctions for a violation of  
29 | limitations established under the Beverage Law on  
30 | specified items, monies, or services; prohibiting a  
31 | vendor from displaying certain signs in the window or  
32 | windows of his or her licensed premises; authorizing  
33 | certain entities and persons to furnish, supply, sell,  
34 | rent, lend, or give certain advertising material to  
35 | certain vendors; defining the term "decalcomania";  
36 | providing exemptions relating to tied house evil for  
37 | certain sales and purchases of merchandise; providing  
38 | conditions for the exemptions; defining the term  
39 | "merchandise"; prohibiting the sale of certain  
40 | advertising specialties at a price higher than the  
41 | actual cost to the industry member; authorizing a  
42 | manufacturer or importer of malt beverages and a  
43 | vendor to enter into a written agreement for certain  
44 | purposes; providing requirements for such agreement;  
45 | defining the term "negotiated at arm's length";  
46 | specifying that a brand-naming rights agreement does  
47 | not obligate or place responsibility upon a  
48 | distributor; providing civil penalties; prohibiting  
49 | the division from imposing certain civil penalties;  
50 | creating s. 562.65, F.S.; providing definitions;

51 authorizing certain licensed vendors of alcoholic  
52 beverages to allow dogs in certain designated areas on  
53 licensed premises; providing requirements; providing  
54 for liability; authorizing the Division of Alcoholic  
55 Beverages and Tobacco of the Department of Business  
56 and Professional Regulation to adopt rules; creating  
57 s. 563.061, F.S.; providing definitions; prohibiting  
58 consignment sales of malt beverages between a  
59 distributor and vendor; authorizing bona fide returns  
60 of malt beverages under certain conditions; providing  
61 applicability; authorizing distributors to accept  
62 returns of certain products under specified  
63 conditions; providing distributor requirements for  
64 such returns; providing requirements for exchanges of  
65 product; providing recordkeeping requirements;  
66 specifying that authorized returns are not gifts,  
67 loans, or other prohibited forms of financial aid or  
68 assistance; providing penalties; providing for  
69 rulemaking; repealing ss. 564.05 and 564.055, F.S.,  
70 relating to limitations on the size of individual wine  
71 containers and individual cider containers; amending  
72 s. 564.09, F.S.; revising provisions that authorize a  
73 restaurant to allow patrons to remove partially  
74 consumed bottles of wine from the restaurant for off-  
75 premises consumption; amending s. 565.03, F.S.;

76 | redefining the terms "branded product" and "craft  
77 | distillery"; revising the requirements for the sale of  
78 | branded products by a licensed craft distillery to  
79 | consumers; deleting a provision that prohibits a craft  
80 | distillery from selling more than six individual  
81 | containers of a branded product to a consumer;  
82 | revising requirements relating to the shipping of  
83 | distilled spirits to consumers by a craft distillery;  
84 | deleting requirements relating to the transfer of  
85 | certain distillery licenses and ownership therein;  
86 | deleting a prohibition against certain affiliations;  
87 | authorizing a craft distillery to transfer specified  
88 | quantities of specified distilled spirits from certain  
89 | locations to its souvenir gift shop; requiring a craft  
90 | distillery making such transfers to submit certain  
91 | excise taxes with its monthly report to the Division  
92 | of Alcoholic Beverages and Tobacco of the Department  
93 | of Business and Professional Regulation; amending s.  
94 | 565.17, F.S.; authorizing a craft distillery to  
95 | conduct spirituous beverage tastings on specified  
96 | licensed premises under certain circumstances;  
97 | providing an effective date.

98 |  
99 | Be It Enacted by the Legislature of the State of Florida:  
100 |

101 Section 1. Subsection (4) is added to section 561.221,  
 102 Florida Statutes, to read:

103 561.221 Licensing of manufacturers and distributors as  
 104 vendors and of vendors as manufacturers; conditions and  
 105 limitations.—

106 (4) (a) Notwithstanding s. 561.22, s. 561.42, or any other  
 107 provision of the Beverage Law, the division may issue up to  
 108 three vendor's licenses to a craft distillery licensed under s.  
 109 565.03, even if such distillery is also licensed as a  
 110 distributor, for the sale of alcoholic beverages on a craft  
 111 distillery's licensed premises.

112 (b) If a vendor's license is for the sale of alcoholic  
 113 beverages on a craft distillery's licensed premises, the  
 114 licensed vendor premises must be included on the sketch or  
 115 diagram defining the licensed premises submitted with the  
 116 distillery's license application. All sketch or diagram  
 117 revisions by the craft distillery must be approved by the  
 118 division and must verify that the vendor premises operated by  
 119 the licensed distillery is owned or leased by the craft  
 120 distillery and is located on the licensed distillery premises.

121 (c) The division shall, upon request, issue permits to a  
 122 craft distillery to conduct tastings and sales of distilled  
 123 spirits produced by the distillery at fairs, trade shows,  
 124 expositions, and festivals in this state. The craft distillery  
 125 shall pay all entry fees for such events and shall have a

126 representative present during each event. A permit is limited to  
 127 the length of the event for which the permit is issued.

128 (d) Distilled spirits and other alcoholic beverages  
 129 manufactured by another licensed manufacturer, including any  
 130 distilled spirits that are owned in whole or in part by the  
 131 craft distillery but are distilled by another manufacturer, must  
 132 be obtained through a licensed distributor, a licensed broker or  
 133 sales agent, or a licensed importer.

134 Section 2. Subsection (9) is added to section 561.24,  
 135 Florida Statutes, to read:

136 561.24 Licensing manufacturers as distributors or  
 137 registered exporters prohibited; procedure for issuance and  
 138 renewal of distributors' licenses and exporters' registrations.-

139 (9) This section does not apply to a craft distillery, as  
 140 defined in s. 565.03, which is open to the public for tours,  
 141 tastings, and sales at least 30 hours each week.

142 Section 3. Subsections (13) and (14) of section 561.42,  
 143 Florida Statutes, are renumbered as subsections (14) and (15),  
 144 respectively, subsections (1), (8), (11), and (12) and paragraph  
 145 (b) of present subsection (14) are amended, and new subsections  
 146 (13) and (16) are added to that section, to read:

147 561.42 Tied house evil; financial aid and assistance to  
 148 vendor by manufacturer, distributor, importer, primary American  
 149 source of supply, brand owner or registrant, or any broker,  
 150 sales agent, or sales person thereof, prohibited; procedure for

151 enforcement; exception.—

152 (1) A ~~No~~ manufacturer, distributor, importer, primary  
 153 American source of supply, or brand owner or registrant of any  
 154 of the beverages herein referred to, whether licensed or  
 155 operating in this state or out-of-state, or ~~nor~~ any broker,  
 156 sales agent, or sales person thereof, may not ~~shall~~ have any  
 157 financial interest, directly or indirectly, in the establishment  
 158 or business of any vendor licensed under the Beverage Law; nor  
 159 may ~~shall~~ such manufacturer, distributor, importer, primary  
 160 American source of supply, brand owner or brand registrant, or  
 161 any broker, sales agent, or sales person thereof, directly or  
 162 indirectly, assist any vendor by furnishing, supplying, selling,  
 163 renting, lending, buying for, or giving to any vendor any  
 164 vehicles, equipment, furniture, fixtures, signs, supplies,  
 165 credit, fees, slotting fees of any kind, advertising or  
 166 cooperative advertising, services, ~~any~~ gifts or loans of money  
 167 or property of any description, or ~~by the giving of any~~ rebates  
 168 of any kind whatsoever. A ~~No~~ licensed vendor may not ~~shall~~  
 169 accept, directly or indirectly, any vehicles, equipment,  
 170 furniture, fixtures, signs, supplies, credit, fees, slotting  
 171 fees of any kind, advertising or cooperative advertising,  
 172 services, gifts ~~any gift~~ or loans ~~loan~~ of money or property of  
 173 any description, or ~~any~~ rebates of any kind whatsoever from any  
 174 such manufacturer, distributor, importer, primary American  
 175 source of supply, brand owner or brand registrant, or any

176 broker, sales agent, or sales person thereof; provided, however,  
 177 that this does not apply to any bottles, barrels, or other  
 178 containers necessary for the legitimate transportation of such  
 179 beverages or to advertising materials and does not apply to the  
 180 extension of credit, for liquors sold, made strictly in  
 181 compliance with ~~the provisions of~~ this section. A brand owner is  
 182 a person who is not a manufacturer, distributor, importer,  
 183 primary American source of supply, brand registrant, or broker,  
 184 sales agent, or sales person thereof, but who directly or  
 185 indirectly owns or controls any brand, brand name, or label of  
 186 alcoholic beverage. ~~Nothing in~~ This section does not shall  
 187 prohibit the ownership by vendors of any brand, brand name, or  
 188 label of alcoholic beverage.

189 (8) The division may adopt rules and require reports to  
 190 enforce, and may impose administrative sanctions for any  
 191 violation of, the limitations established under the Beverage Law  
 192 on any vehicles, equipment, furniture, fixtures, signs,  
 193 supplies, credit, fees, slotting fees of any kind, advertising  
 194 or cooperative advertising, services, gifts or loans of money or  
 195 property of any description, rebates of any kind whatsoever ~~in~~  
 196 ~~this section on credits,~~ coupons, and other forms of assistance.

197 (11) A vendor may display in the interior of his or her  
 198 licensed premises, including the window or windows thereof,  
 199 neon, electric, or other signs that require a power source;  
 200 ~~including~~ window painting and decalcomanias applied to the

201 surface of the interior or exterior of such windows;~~;~~ and  
 202 posters, placards, and other advertising material advertising  
 203 the brand or brands of alcoholic beverages sold by him or her,  
 204 whether visible or not from the outside of the licensed  
 205 premises. However, a, but no vendor may not shall display in the  
 206 window or windows of his or her licensed premises more than one  
 207 neon, electric, or similar sign that requires a power source,  
 208 advertising the product of any one brand of alcoholic beverage  
 209 manufacturer.

210 (12) Any manufacturer, distributor, importer, primary  
 211 American source of supply, or brand owner or registrant, or any  
 212 broker, sales agent, or sales person thereof, may give, lend,  
 213 furnish, or sell to a vendor who sells the products of such  
 214 manufacturer, distributor, importer, primary American source of  
 215 supply, or brand owner or registrant any of the following: neon,  
 216 ~~or~~ electric, or other signs requiring a power source; signs,  
 217 window painting and decalcomanias applied to the surface of the  
 218 interior or exterior of windows; and, posters, placards, and  
 219 other advertising material ~~herein~~ authorized to be used or  
 220 displayed by the vendor in the interior of his or her licensed  
 221 premises. As used in this section, the term "decalcomania" means  
 222 a picture, design, print, engraving, or label made to be  
 223 transferred onto a glass surface.

224 (13) Any manufacturer, distributor, importer, primary  
 225 American source of supply, or brand owner or registrant, or any

226 broker, sales agent, or sales person thereof, who regularly  
 227 sells merchandise to vendors, or any vendor who purchases  
 228 merchandise from such manufacturer, distributor, importer,  
 229 primary American source of supply, or brand owner or registrant,  
 230 or any broker, sales agent, or sales person thereof, does not  
 231 violate subsection (1) if:

232 (a) Such sale or purchase is equal to or greater than the  
 233 fair market value of the merchandise; not combined with any sale  
 234 or purchase of alcoholic beverages; separately itemized from the  
 235 sale or purchase of alcoholic beverages; and

236 (b) Both the seller and purchaser maintain records of any  
 237 such sale or purchase, including the price and any conditions  
 238 associated with such sale or purchase of the merchandise.

239  
 240 For purposes of this subsection, the term "merchandise" means  
 241 commodities, supplies, fixtures, furniture, or equipment. The  
 242 term does not include alcoholic beverages or a motor vehicle or  
 243 trailer requiring registration under chapter 320.

244 ~~(15)-(14)~~ The division shall adopt reasonable rules  
 245 governing promotional displays and advertising. Such rules may  
 246 not conflict with or be more stringent than the federal  
 247 regulations pertaining to such promotional displays and  
 248 advertising furnished to vendors by distributors, manufacturers,  
 249 importers, primary American sources of supply, or brand owners  
 250 or registrants, or any broker, sales agent, or sales person

251 | thereof; however:

252 |       (b) Without limitation in total dollar value of such items  
 253 | provided to a vendor, a manufacturer, distributor, importer,  
 254 | primary American source of supply, or brand owner, or ~~brand~~  
 255 | registrant of malt beverage, or any broker, sales agent, or  
 256 | sales person thereof, may rent, loan without charge for an  
 257 | indefinite duration, or sell durable retailer advertising  
 258 | specialties such as clocks, pool table lights, and the like,  
 259 | which bear advertising matter. If sold, such items may not be  
 260 | sold at a price less than the actual cost to the industry member  
 261 | who initially purchased the items.

262 |       (16) (a) Notwithstanding other provisions of this section,  
 263 | a manufacturer or importer of malt beverages and a vendor may  
 264 | enter into a written agreement for brand-naming rights and  
 265 | associated cooperative advertising, negotiated at arm's length,  
 266 | for no more than fair market value if all of the following  
 267 | conditions are met:

268 |       1. The vendor operates places of business where  
 269 | consumption on the premises is permitted and the premises:

270 |       a. Are located within a theme park complex consisting of  
 271 | at least 25 contiguous acres owned and controlled by the same  
 272 | business entity;

273 |       b. Contain permanent exhibitions and a variety of  
 274 | recreational activities; and

275 |       c. Has a minimum of 1 million visitors annually with a

276 controlled entrance to, and exit from, the enclosed area.

277 2. Such agreement does not involve, either in whole or in  
278 part, the sale or distribution of malt beverages between the  
279 manufacturer or importer, or the manufacturer's or importer's  
280 distributor, and a vendor.

281 3. The vendor, as a result of such agreement, does not  
282 give preferential treatment to the alcoholic beverage brand or  
283 brands of the manufacturer or importer with whom the vendor has  
284 entered into such agreement.

285 4. Such agreement does not directly or indirectly limit  
286 the sale of alcoholic beverages of another manufacturer or  
287 importer, or distributor.

288 5. Within 10 days after execution of such agreement, the  
289 vendor files with the division a description of the agreement  
290 which includes the location, dates, and the name of the  
291 manufacturer or importer that entered into the agreement.

292  
293 As used in this paragraph, the term "negotiated at arm's length"  
294 means the negotiation of a business transaction by independent  
295 parties acting in each party's own individual self-interest and  
296 conducted as if the parties were strangers, so that no conflict  
297 of interest may arise.

298 (b) A manufacturer or importer of malt beverages who is a  
299 party to a brand-naming rights agreement may not, directly or  
300 indirectly, solicit or receive from any of its distributors any

301 portion of the payment due from the manufacturer or importer of  
302 malt beverages to the vendor pursuant to such agreement. Such  
303 agreement exists solely between the manufacturer and the vendor  
304 and does not, directly or indirectly, in any way obligate or  
305 place responsibility, financial or otherwise, upon a  
306 distributor.

307 (c) Notwithstanding s. 561.29(3) and (4), a manufacturer  
308 of malt beverages, an importer of malt beverages, or a vendor  
309 who violates this subsection is subject to:

310 1. A civil penalty of not more than \$25,000, for a first  
311 violation.

312 2. A civil penalty of not more than \$100,000 for a second  
313 violation occurring within 36 months after the date of the first  
314 violation.

315 3. At the discretion of the division, in lieu of or in  
316 addition to the penalty imposed under subparagraph 2.,  
317 suspension or revocation of the alcoholic beverage license for a  
318 third or subsequent violation occurring within 36 months after  
319 the date of the first violation.

320  
321 A violation occurring more than 36 months after a first  
322 violation is deemed a first violation under this paragraph. When  
323 imposing a civil penalty within the ranges provided in  
324 subparagraphs 1. and 2., the division may not impose a civil  
325 penalty in an amount greater than the financial value of the

326 brand-naming rights agreement.

327 Section 4. Section 562.65, Florida Statutes, is created to  
328 read:

329 562.65 Licensed premises of vendors; dogs allowed in  
330 designated areas.-

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

332 (a) "Division" means the Division of Alcoholic Beverages  
333 and Tobacco of the Department of Business and Professional  
334 Regulation.

335 (b) "Dog" means a dog that is domesticated and kept as a  
336 household pet.

337 (c) "Licensed premises" has the same meaning as provided  
338 in s. 561.01(11).

339 (d) "Vendor" means a person who is licensed under the  
340 Beverage Law.

341 (2) A vendor may allow dogs in designated areas, including  
342 certain indoor areas, of the licensed premises under the  
343 following conditions:

344 (a) No more than 10 percent of the gross revenue of the  
345 vendor's business may be from the sale of food consumed on the  
346 licensed premises. Ice may not be considered food.

347 (b) Dogs must be kept on a leash and under control at all  
348 times.

349 (c) Dogs may not be permitted on tables, bar tops, or  
350 other furnishings.

351 (d) Dogs may not be permitted in any area of the licensed  
 352 premises in which food is stored or prepared.

353 (e) Dog waste must be cleaned immediately and the area  
 354 must be sanitized.

355 (3) An individual may be held liable for failure to comply  
 356 with the conditions under paragraphs (2) (b)-(e) if such failure  
 357 causes injury or damage.

358 (4) The division may adopt rules to administer this  
 359 section.

360 Section 5. Section 563.061, Florida Statutes, is created  
 361 to read:

362 563.061 Return of malt beverage products.-

363 (1) DEFINITIONS.-As used in this section, the term:

364 (a) "Damaged product" means a malt beverage product  
 365 delivered to a vendor exhibiting product deterioration,  
 366 defective seals, leaking, damaged labels, or missing or  
 367 mutilated tamper-evident closures.

368 (b) "Keg" means a reusable container used to store and  
 369 dispense a malt beverage product in draft form on tap.

370 (c) "Manufacturer's code date" means a coded best-by date,  
 371 expiration date, or other designated date or dating system  
 372 established by a manufacturer to signify freshness that is  
 373 printed on the malt beverage container or, in the case of a keg,  
 374 marked on a cap, collar, tag, or label affixed directly to the  
 375 keg.

376 (d) "Out-of-code product" means a malt beverage product  
377 that has exceeded the manufacturer's code date and, according to  
378 the manufacturer's policies, must be removed and replaced with  
379 fresh product for purchase in the retail market.

380 (e) "Undamaged product" means a malt beverage product that  
381 is not damaged or out of code.

382 (2) CONSIGNMENT SALES PROHIBITED; AUTHORIZED RETURNS.—A  
383 distributor may not sell, offer for sale, or contract to sell  
384 malt beverages on consignment or any basis other than a bona  
385 fide sale. A vendor may not purchase, offer to purchase, or  
386 contract to purchase malt beverages on consignment or any basis  
387 other than a bona fide sale. Once a distributor sells malt  
388 beverages to a vendor, only bona fide returns are permitted for  
389 the ordinary and usual commercial reasons authorized in this  
390 section. This section does not permit return of product because  
391 it is overstocked or slow-moving or because it has limited or  
392 seasonal demand, including, but not limited to, product packaged  
393 in holiday decanters or distinctive bottles.

394 (3) RETURNS OF UNDAMAGED PRODUCT.—

395 (a) Except as provided in paragraph (b), undamaged product  
396 may be returned for exchange of product or credit.

397 (b) A distributor may only accept a return of undamaged  
398 product if the return is requested within 7 days after the  
399 delivery date. However, a distributor may accept a return of

400 undamaged product after such time in the following  
401 circumstances:

402 1. If a vendor or its employees or agents are no longer  
403 permitted, due to a change in regulation or administrative  
404 procedure, to sell a particular brand or size product, such  
405 product may be returned for credit or refund.

406 2. If a vendor terminates operations, the vendor's  
407 inventory of product at the time of termination may be returned  
408 for credit or refund. This subparagraph does not apply during a  
409 vendor's temporary seasonal shutdown.

410 3. Except as provided in subparagraph 6., a product that  
411 has not yet exceeded the manufacturer's code date may be  
412 returned for purposes of ensuring quality control or freshness;  
413 however, such product may only be returned for exchange of  
414 product.

415 4. If a manufacturer has issued a product recall that  
416 affects multiple vendors that are not affiliated through having  
417 common ownership, being members of the same pool buying group,  
418 or being members of the same advertising cooperative, the  
419 recalled product may be returned for exchange of product or  
420 credit. If return of such product is requested more than 7 days  
421 after the delivery date, the distributor must keep documentation  
422 of the recall with the transaction record maintained pursuant to  
423 subsection (8).

424 5. If production or importation of a product is  
 425 discontinued, a vendor's inventory of the discontinued product  
 426 may be returned for credit or refund.

427 6. If a vendor is only open for a portion of the year and  
 428 has product remaining at closure which, with respect to quality  
 429 control or freshness, would become unsuitable for sale during  
 430 the off-season according to the manufacturer's code date, such  
 431 product may be returned for credit or refund.

432  
 433 If undamaged product is returned under this paragraph, the  
 434 distributor must keep documentation of a qualifying exception in  
 435 subparagraphs 1.-6. with the transaction record maintained  
 436 pursuant to subsection (8).

437 (4) RETURNS OF DAMAGED PRODUCT.-

438 (a) Damaged product may only be returned for exchange of  
 439 product or credit. A distributor must verify damaged product  
 440 before accepting its return.

441 (b) Product damaged by a vendor, its employees or agents,  
 442 or its customers may not be returned and shall be the vendor's  
 443 liability.

444 (c) A distributor may only accept return of damaged  
 445 product if requested within 7 days after the delivery date.

446 (5) RETURNS OF OUT-OF-CODE PRODUCT.-

447 (a) Out-of-code product may only be returned for exchange  
448 of product. A distributor must verify out-of-code product before  
449 accepting its return.

450 (b) A distributor may accept return of out-of-code product  
451 any time after the manufacturer's code date only in the  
452 following circumstances:

453 1. The manufacturer has written policies and procedures  
454 that specify the date that out-of-code product should be  
455 removed.

456 2. Such policies and procedures are readily available,  
457 verifiable, and consistently applied by the manufacturer.

458 3. The manufacturer's code date is printed on the product  
459 container or, in the case of a keg, marked on a cap, collar,  
460 tag, or label affixed directly to the keg.

461 4. Out-of-code product removed by the distributor does not  
462 reenter the retail market.

463 (6) EXCHANGES OF PRODUCT.—An exchange of product  
464 authorized under this section must be in exact quantities with a  
465 product of near or equal value, made by the same manufacturer,  
466 and in the same size container or keg unless a credit is issued  
467 at the time of the return.

468 (7) DISTRIBUTOR REQUIREMENTS FOR RETURNS.—This section  
469 does not require a distributor to accept returns authorized  
470 under this section; however, if a distributor accepts return of  
471 product, the distributor must:

472        (a) Provide the exchange of product, credit, or refund to  
 473 the vendor, as provided in subsections (3)-(5), at the same time  
 474 the distributor picks up the product being returned.

475        (b) For damaged or undamaged product, pick up the product  
 476 being returned within 14 days after receipt of the vendor's  
 477 request.

478        (8) TRANSACTION RECORDS.—A distributor must keep and  
 479 maintain for 3 years a transaction record of each return  
 480 identifying the vendor's business name, address, and license  
 481 number; product returned for exchange of product, credit, or  
 482 refund; and any other documentation required by this section.  
 483 The distributor must provide a copy of the transaction record to  
 484 the vendor in a format accessible and readable by the vendor.  
 485 Such transaction records must be maintained on the distributor's  
 486 licensed premises, or may be kept at another location in this  
 487 state if the distributor notifies the division in writing before  
 488 keeping records in another location, and must be made available  
 489 to the division upon request for inspection in a format  
 490 accessible and readable by the division. The distributor must  
 491 notify the division in writing of any change in recordkeeping  
 492 location.

493        (9) RETURNS NOT TIED HOUSE EVIL.—Bona fide returns  
 494 authorized under this section for exchange of product, credit,  
 495 or refund are not considered gifts, loans, or other forms of  
 496 financial aid or assistance prohibited by s. 561.42.

497           (10) CIVIL PENALTY.—In accordance with s. 561.29, the  
 498 division may impose a civil penalty against a distributor or  
 499 vendor for any violation of this section, or any rule adopted  
 500 under this section, not to exceed \$1,000 per violation.

501           (11) RULEMAKING AUTHORITY.—The division may adopt rules to  
 502 administer and enforce this section.

503           Section 6. Section 564.05, Florida Statutes, is repealed.

504           Section 7. Section 564.055, Florida Statutes, is repealed.

505           Section 8. Section 564.09, Florida Statutes, is amended to  
 506 read:

507           564.09 Restaurants; off-premises consumption of wine.—  
 508 Notwithstanding any other provision of law, a restaurant  
 509 licensed to sell wine on the premises may permit a patron to  
 510 remove one unsealed bottle of wine for consumption off the  
 511 premises if the patron has purchased a ~~full-course~~ meal  
 512 ~~consisting of a salad or vegetable, entree, a beverage, and~~  
 513 ~~bread~~ and consumed a portion of the bottle of wine ~~with such~~  
 514 ~~meal~~ on the restaurant premises. A partially consumed bottle of  
 515 wine that is to be removed from the premises must be securely  
 516 resealed by the licensee or its employees before removal from  
 517 the premises. The partially consumed bottle of wine shall be  
 518 placed in a bag or other container that is secured in such a  
 519 manner that it is visibly apparent if the container has been  
 520 subsequently opened or tampered with, and a dated receipt for  
 521 the bottle of wine and ~~full-course~~ meal shall be provided by the

522 licensee and attached to the container. If transported in a  
 523 motor vehicle, the container with the resealed bottle of wine  
 524 must be placed in a locked glove compartment, a locked trunk, or  
 525 the area behind the last upright seat of a motor vehicle that is  
 526 not equipped with a trunk.

527 Section 9. Paragraphs (a) and (b) of subsection (1),  
 528 paragraphs (b) and (c) of subsection (2), and subsection (5) of  
 529 section 565.03, Florida Statutes, are amended to read:

530 565.03 License fees; manufacturers, distributors, brokers,  
 531 sales agents, and importers of alcoholic beverages; vendor  
 532 licenses and fees; distilleries and craft distilleries.—

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

534 (a) "Branded product" means any distilled spirits product  
 535 manufactured on site, or manufactured on site and blended on  
 536 site with other distilled spirits, which requires a federal  
 537 certificate and label approval by the Federal Alcohol  
 538 Administration Act or federal regulations.

539 (b) "Craft distillery" means a licensed distillery that  
 540 produces 250,000 ~~75,000~~ or fewer gallons per calendar year of  
 541 distilled spirits on its premises and is designated as a craft  
 542 distillery by ~~has notified~~ the division upon notification in  
 543 writing of its decision to qualify as a craft distillery.

544 (2)

545 (b) A licensed distillery or craft distillery may ~~Persons~~  
 546 ~~licensed under this section who are in the business of~~

547 ~~distilling spirituous liquors may also~~ engage in the business of  
548 rectifying and blending spirituous liquors without the payment  
549 of an additional license tax.

550 (c) A craft distillery licensed under this section which  
551 is not licensed as a vendor under s. 561.221 may sell to  
552 consumers under its craft distillery license, at its souvenir  
553 gift shop, up to 75,000 gallons per calendar year of branded  
554 ~~products distilled on its premises in this state~~ in factory-  
555 sealed containers that are filled at the distillery for off-  
556 premises consumption by consumers. Such sales are authorized  
557 only on ~~private~~ property owned or leased by the craft distillery  
558 which is contiguous to the craft distillery's licensed  
559 ~~distillery premises approved by the division in this state and~~  
560 ~~included on the sketch or diagram defining the licensed premises~~  
561 ~~submitted with the distillery's license application. All sketch~~  
562 ~~or diagram revisions by the distillery shall require the~~  
563 ~~division's approval verifying that the souvenir gift shop~~  
564 ~~location operated by the licensed distillery is owned or leased~~  
565 ~~by the distillery and on property contiguous to the distillery's~~  
566 ~~production building in this state.~~

567 1. A craft distillery may not sell under its craft  
568 distillery license any factory-sealed individual containers of  
569 spirits to consumers in this state except in face-to-face sales  
570 transactions with such consumers at the craft distillery's  
571 licensed premises. Such containers must be in compliance with

572 the container limits in s. 565.10 ~~who are making a purchase of~~  
573 ~~no more than six individual containers of each branded product.~~

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

579 ~~2.3.~~ A craft distillery must report to the division within  
580 5 days after it reaches the production limitations provided in  
581 paragraph (1)(b). Any retail sales to consumers under its craft  
582 distillery license ~~at the craft distillery's licensed premises~~  
583 are prohibited beginning the day after it reaches the production  
584 limitation.

585 ~~3.4.~~ A craft distillery that has not been issued a  
586 vendor's license under s. 561.221 may not ship or arrange to  
587 ship any of its distilled spirits to consumers in this state and  
588 may sell and deliver only to consumers within the state in a  
589 face-to-face transaction at the distillery property. However, a  
590 craft distillery ~~distiller~~ licensed under this section may ship,  
591 arrange to ship, or deliver such spirits to manufacturers of  
592 distilled spirits, wholesale distributors of distilled spirits,  
593 state or federal bonded warehouses, ~~and~~ exporters, or consumers  
594 located outside of this state; however, all such shipments must  
595 comply with the laws where such products are scheduled to be  
596 delivered for personal use.

597           4. A craft distillery may transfer up to 75,000 gallons  
 598 per calendar year of distilled spirits that it manufactures from  
 599 its federal bonded space, nonbonded space at its licensed  
 600 premises, or storage areas to its souvenir gift shop.

601           ~~5. Except as provided in subparagraph 6., it is unlawful~~  
 602 ~~to transfer a distillery license for a distillery that produces~~  
 603 ~~75,000 or fewer gallons per calendar year of distilled spirits~~  
 604 ~~on its premises or any ownership interest in such license to an~~  
 605 ~~individual or entity that has a direct or indirect ownership~~  
 606 ~~interest in any distillery licensed in this state; another~~  
 607 ~~state, territory, or country; or by the United States government~~  
 608 ~~to manufacture, blend, or rectify distilled spirits for beverage~~  
 609 ~~purposes.~~

610           ~~6. A craft distillery shall not have its ownership~~  
 611 ~~affiliated with another distillery, unless such distillery~~  
 612 ~~produces 75,000 or fewer gallons per calendar year of distilled~~  
 613 ~~spirits on each of its premises in this state or in another~~  
 614 ~~state, territory, or country.~~

615           (5) A craft distillery may transfer distilled spirits to  
 616 any of its retail areas pursuant to paragraph (2)(c) or s.  
 617 561.221 and making sales under paragraph (2)(e) is responsible  
 618 for submitting any excise taxes due to the state on distilled  
 619 spirits on beverages under the Beverage Law with in its monthly  
 620 report to the division ~~with any tax payments due to the state.~~

621           Section 10. Section 565.17, Florida Statutes, is amended

622 | to read:

623 |       565.17 Beverage tastings by distributors, craft  
624 | distilleries, and vendors.—A licensed distributor of spirituous  
625 | beverages, a craft distillery, as defined in s. 565.03, or any  
626 | vendor, is authorized to conduct spirituous beverage tastings  
627 | upon any licensed premises authorized to sell spirituous  
628 | beverages by package or for consumption on premises without  
629 | being in violation of s. 561.42, provided that the conduct of  
630 | the spirituous beverage tasting shall be limited to and directed  
631 | toward the general public of the age of legal consumption.

632 |       Section 11. This act shall take effect July 1, 2020.