CHAPTER 2017-46

Committee Substitute for House Bill No. 141

An act relating to craft distilleries; amending s. 565.03, F.S.; providing limitations on retail sales by craft distilleries to consumers; providing an effective date.

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

Section 1. Paragraph (c) of subsection (2) of section 565.03, Florida Statutes, is amended to read:

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

(2)

- (c) A craft distillery licensed under this section may sell to consumers, at its souvenir gift shop, branded products distilled on its premises in this state in factory-sealed containers that are filled at the distillery for off-premises consumption. Such sales are authorized only on private property contiguous to the licensed distillery premises in this state and included on the sketch or diagram defining the licensed premises submitted with the distillery's license application. All sketch or diagram revisions by the distillery shall require the division's approval verifying that the souvenir gift shop location operated by the licensed distillery is owned or leased by the distillery and on property contiguous to the distillery's production building in this state.
- 1. A craft distillery may not sell any factory-sealed individual containers of spirits except in face-to-face sales transactions with consumers who are making a purchase of no more than <u>six individual containers of each branded product.</u>:
 - a. Two individual containers of each branded product;
- b. Three individual containers of a single branded product and up to one individual container of a second branded product; or
 - c. Four individual containers of a single branded product.
- 2. Each container sold in face-to-face transactions with consumers must comply with the container limits in s. 565.10, per calendar year for the consumer's personal use and not for resale and who are present at the distillery's licensed premises in this state.
- 3. A craft distillery must report to the division within 5 days after it reaches the production limitations provided in paragraph (1)(b). Any retail

sales to consumers at the craft distillery's licensed premises are prohibited beginning the day after it reaches the production limitation.

- 4. A craft distillery may not ship or arrange to ship any of its distilled spirits to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distiller licensed under this section may ship, arrange to ship, or deliver such spirits to manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, and exporters.
- 5. Except as provided in subparagraph 6., it is unlawful to transfer a distillery license for a distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises or any ownership interest in such license to an individual or entity that has a direct or indirect ownership interest in any distillery licensed in this state; another state, territory, or country; or by the United States government to manufacture, blend, or rectify distilled spirits for beverage purposes.
- 6. A craft distillery shall not have its ownership affiliated with another distillery, unless such distillery produces 75,000 or fewer gallons per calendar year of distilled spirits on each of its premises in this state or in another state, territory, or country.

Section 2. This act shall take effect upon becoming a law.

Approved by the Governor June 2, 2017.

Filed in Office Secretary of State June 2, 2017.