1 A bill to be entitled 2 An act relating to the Beverage Law; amending s. 3 561.42, F.S.; providing an exemption from provisions 4 relating to the tied house evil for specified 5 financial transactions between a manufacturer or 6 importer of malt beverages and a licensed vendor; 7 providing conditions for the exception; providing 8 penalties; authorizing a distributor of malt beverages 9 to give specified glassware to vendors licensed to 10 sell malt beverages for on-premises consumption; 11 requiring specified glassware to bear certain 12 branding; providing an annual limit on the amount of 13 glassware that may be given by a distributor to a 14 vendor; prohibiting a vendor from selling the glassware or returning it to the distributor; 15 16 providing that malt beverage-branded glassware is 17 intended to be used only to serve the brand 18 advertised; providing for future legislative review 19 and repeal of the exemption; amending s. 561.57, F.S.; including an electronic order as a type of order 20 21 construed as a sale made at a vendor's licensed place 22 of business; authorizing a manufacturer, distributor, 23 or vendor to make certain deliveries in a third-party 24 vehicle under certain circumstances; requiring that 25 the recipient's identity and age be verified and

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documented at the time of delivery; requiring that deliveries comply with s. 562.11, F.S.; repealing s. 564.05, F.S., relating to limitations on the size of individual wine containers; repealing s. 564.055, F.S., relating to limitations on the size of individual cider containers; amending s. 564.09, F.S.; revising provisions authorizing a restaurant to allow a patron to remove bottles of wine from a restaurant for off-premises consumption; amending s. 565.02, F.S.; exempting operators of railroads or sleeping cars from certain liquor bottle size restrictions; providing effective dates.

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

Section 1. Subsection (1) of section 561.42, Florida Statutes, is amended to read:

 vendor by manufacturer, distributor, importer, primary American source of supply, brand owner or registrant, or any broker, sales agent, or sales person thereof, prohibited; procedure for

561.42 Tied house evil; financial aid and assistance to

(1) No manufacturer, distributor, importer, primary

American source of supply, or brand owner or registrant of any

of the beverages herein referred to, whether licensed or

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enforcement; exception.-

operating in this state or out-of-state, nor any broker, sales agent, or sales person thereof, shall have any financial interest, directly or indirectly, in the establishment or business of any vendor licensed under the Beverage Law; nor shall such manufacturer, distributor, importer, primary American source of supply, brand owner or brand registrant, or any broker, sales agent, or sales person thereof, assist any vendor by any gifts or loans of money or property of any description or by the giving of any rebates of any kind whatsoever. No licensed vendor shall accept, directly or indirectly, any gift or loan of money or property of any description or any rebates from any such manufacturer, distributor, importer, primary American source of supply, brand owner or brand registrant, or any broker, sales agent, or sales person thereof; provided, however, that this does not apply to any bottles, barrels, or other containers necessary for the legitimate transportation of such beverages or to advertising materials and does not apply to the extension of credit, for liquors sold, made strictly in compliance with the provisions of this section. A brand owner is a person who is not a manufacturer, distributor, importer, primary American source of supply, brand registrant, or broker, sales agent, or sales person thereof, but who directly or indirectly owns or controls any brand, brand name, or label of alcoholic beverage. Nothing in this section shall prohibit the ownership by vendors of any brand, brand name, or label of

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alcoholic beverage.

- (a) A manufacturer or importer of malt beverages and a vendor may enter into a written agreement for brand naming rights, including the right to advertise cooperatively, negotiated at arm's length for no more than fair market value if:
- 1. The vendor operates places of business where consumption on the premises is permitted, which premises are located within a theme park complex comprised of at least 25 contiguous acres owned and controlled by the same business entity and which contains permanent exhibitions and a variety of recreational activities and has a minimum of 1 million visitors annually through a controlled entrance to and exit from the theme park complex.
- 2. Such brand naming rights agreement does not involve, either in whole or in part, the sale or distribution of malt beverages between the manufacturer or importer, or its distributor, and a vendor.
- 3. The vendor does not give preferential treatment to, and the manufacturer or importer does not solicit or otherwise attempt to obtain preferential treatment from, the alcoholic beverage brand or brands of the manufacturer or importer with whom the vendor has entered into a naming rights agreement.
- 4. Such brand naming rights agreement does not limit, either directly or indirectly, the sale of alcoholic beverages

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of another manufacturer, importer, or distributor.

- 5. A distributor does not, directly or indirectly, provide any portion of the payment of the brand naming rights agreement.
- 6. Within 10 days of the execution of a written agreement for brand naming rights, the vendor files with the division a description of the agreement which includes the location, dates, and the name of the manufacturer or importer that entered into the agreement.
- (b) 1. Any person, vendor, manufacturer, or importer who, through coercion or other illegal means, induces, directly or indirectly, a distributor to provide any portion of the payment of the brand naming rights agreement shall be guilty of a misdemeanor of the of the second degree, punishable as provided in s. 775.082 or s. 775.083; and shall be punished by imprisonment in the county jail for a period not to exceed 6 months, or by a fine in an amount equal to the total value of the naming rights agreement plus \$10,000, or by both imprisonment and fine.
- 2. For each violation of paragraph (a), a vendor, manufacturer, distributor, or importer shall be subject to license suspension for 7 days, a fine in an amount not less than the value of the brand naming rights agreement and, if applicable, suspension of its brand registration within the state for 30 days for the brand that is the subject of the brand naming rights agreement.

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Section 2. Effective October 1, 2018, paragraph (a) of subsection (14) of section 561.42, Florida Statutes, is amended to read:

- 561.42 Tied house evil; financial aid and assistance to vendor by manufacturer, distributor, importer, primary American source of supply, brand owner or registrant, or any broker, sales agent, or sales person thereof, prohibited; procedure for enforcement; exception.—
- (14) The division shall adopt reasonable rules governing promotional displays and advertising, which rules shall not conflict with or be more stringent than the federal regulations pertaining to such promotional displays and advertising furnished to vendors by distributors, manufacturers, importers, primary American sources of supply, or brand owners or registrants, or any sales agent or sales person thereof; however:
- (a) 1. If a manufacturer, distributor, importer, or brand owner, or brand registrant of malt beverage, or any broker, sales agent, or sales person thereof, provides a vendor licensed to sell malt beverages for on-premises consumption with branded, expendable retailer advertising specialties such as trays, coasters, mats, menu cards, napkins, cups, glassware glasses, thermometers, and the like, such items may be sold only at a price not less than the actual cost to the industry member who initially purchased them, without limitation in total dollar

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value of such items sold to a vendor.

2. A distributor that has received glassware at no direct or indirect charge from a manufacturer, importer, or brand owner or registrant of malt beverage, or any broker, sales agent, or sales person thereof, may give such glassware to a vendor licensed to sell malt beverages for on-premises consumption. Each piece of glassware given to a vendor by a distributor must bear a permanent brand name intended to prominently advertise the brand. A distributor may not give a vendor more than 15 cases of glassware per calendar year per licensed premises. As used in this paragraph, the term "case" means a box containing up to 24 pieces of glassware and the term "glassware" means a single-service glass container that can hold no more than 23 ounces of liquid volume. A vendor that receives a gift of such glassware from a distributor may not sell the glassware or return it to the distributor for cash, credit, or replacement. Malt beverage-branded glassware used at any licensed premises is intended to be used only to serve consumers the brand advertised on the glassware. This subparagraph shall stand repealed on June 30, 2021, unless reviewed and saved from repeal through reenactment by the Legislature. Section 3. Subsections (1) and (2) of section 561.57, Florida Statutes, are amended, and subsection (6) is added to

561.57 Deliveries by licensees.—

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that section, to read:

- (1) Vendors shall be permitted to make deliveries away from their places of business of sales actually made at the licensed place of business; provided, telephone, electronic, or mail orders received at vendor's licensed place of business shall be construed as a sale actually made at the vendor's licensed place of business.
- Deliveries made by a manufacturer, distributor, or vendor away from his or her place of business may be made only in vehicles that which are owned or leased by the licensee. Alternatively, such deliveries may be made in a third-party vehicle pursuant to a contract with a third party with whom the licensee has contracted to make deliveries, including, but not limited to, common carriers. Any By acceptance of an alcoholic beverage license and the use of such vehicles, The licensee agrees that such vehicle used to make such deliveries is shall always be subject to inspections and searches be inspected and searched without a search warrant, for the purpose of ascertaining that all provisions of the alcoholic beverage laws are complied with, by authorized employees of the division and also by sheriffs, deputy sheriffs, and police officers when during business hours or other times the vehicle is being used to transport or deliver alcoholic beverages.
- (6) Valid proof of the recipient's identity and age shall be verified and documented at the time of delivery. Deliveries made pursuant to this section must comply with s. 562.11.

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Section 4. <u>Section 564.05</u>, Florida Statutes, is repealed.

Section 5. Section 564.055, Florida Statutes, is repealed.

Section 6. Section 564.09, Florida Statutes, is amended to read:

564.09 Restaurants; off-premises consumption of wine.-Notwithstanding any other provision of law, a restaurant licensed to sell wine on the premises may permit a patron to remove one unsealed bottle of wine for consumption off the premises if the patron has purchased a full course meal consisting of a salad or vegetable, entree, a beverage, and bread and consumed a portion of the bottle of wine with such meal on the restaurant premises. A partially consumed bottle of wine that is to be removed from the premises must be securely resealed by the licensee or its employees before removal from the premises. The partially consumed bottle of wine shall 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 bottle of wine and full course meal shall be provided by the licensee and attached to the container. If transported in a motor vehicle, the container with the resealed bottle of wine must be placed in a locked glove compartment, a locked trunk, or the area behind the last upright seat of a motor vehicle that is not equipped with a trunk.

Section 7. Paragraph (a) of subsection (2) of section

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226 565.02, Florida Statutes, is amended to read:

565.02 License fees; vendors; clubs; caterers; and others.—

- (2) An operator of railroads or sleeping cars, or a vendor in a railroad transit station, in this state may obtain a license to keep for sale and to sell the beverages mentioned in the Beverage Law upon the payment of an annual license tax of \$2,500 to the division. A municipality or county may not require an additional license or levy a tax for the privilege of selling such beverages.
- (a) Operators of railroads or sleeping cars in this state are authorized to keep for sale and to sell all beverages mentioned in the Beverage Law for consumption upon any dining, club, parlor, buffet, or observation car of a passenger train in which certified copies of the licenses issued to the operators are posted. Certified copies of such licenses shall be issued by the division upon the payment of a \$10 fee. A license for the sale of alcoholic beverages on a passenger train shall be good throughout the state. Except for alcoholic beverages sold within the licensed premises of a railroad transit station, or sold within the licensed premises of an operator, it is unlawful for such licensees to purchase or sell any liquor on a passenger train except in miniature bottles of not more than 2 ounces.
- Section 8. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2018.

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