



Florida's Three-Tier System Works:

- **Provides Choice and Variety:** The three-tier system ensures that all licensed retailers have access to a wide range of products from various manufacturers, including large and small producers. This means that consumers can find unique and specialized products from different regions and producers, providing a diverse selection of options to choose from.
- **Helps All Brewers:** By having brewers, distributors, and retailers separated, Florida's three tier system promotes a market where each brand or label is offered the same opportunity. This provides a level playing field and equal access to the market for brewers big and small.
- **Keeps the Market Competitive:** In the competitive model, the three tiers – manufacturers (breweries), independent distributors, and independent retailers (groceries, convenience stores, pubs, restaurants etc.) – are licensed by the state, but given the freedom to meet customer demand. As a result, we see a robust industry that is changing to meet customer demand in a competitive free-market environment, free of the corruption and scandals that preceded Prohibition in the 1920s.

SB 1710 – Taxes on Malt Beverages (No House Companion)

Sen. Nick DiCeglie (R-St. Petersburg)

- SB 1710 is bad public policy. This bill would change the effective tax rate on malt beverages sold in containers other than in kegs or barrels from 6 cents on each pint or fraction thereof to .375 cents per ounce.
- Distributors sell a tremendous amount of malt beverage in fractional containers, most popular of which is the 12 ounce can. No one from the industry has asked for this change in tax rate which has been the law for over 40 years and it does not need to be changed.
- In 2022, Florida's Revenue Estimating Conference calculated this to be a nearly **\$60 million loss** to the state annually. The decreased revenue would result in less money available to support a lot of programs throughout the state.
- FBWA **opposes** making this change to the tax formula.

SB 1262/HB 639 – Requirements for Special Food Licenses

Sen. Jonathan Martin (R-Fort Myers)/Rep. Tiffany Esposito (R-Fort Myers)

- The House bill eliminates square footage and seating requirements for special food licenses. The Senate bill lowers the requirements to 1800 square feet and 100 seats (from 2500 sq. feet and 150 seats). An establishment still needs to derive 51% or more of their revenue from food sales in both bills.
- FBWA is **opposed** to eliminating all requirements and **prefers** the Senate bill, though overall preference is no changes are made.
- The bill has not been heard in any committees yet.



SB 658/HB 1459 – Registration Fees for Malt Beverages

Sen. Danny Burgess (R-Zephyrhills)/Rep. Brad Yeager (R-New Port Richey)

- This bill would eliminate the \$30 brand and label registration fee for malt beverages that are not being sold to a distributor. There is very little effect this bill would have on the industry, and therefore we are **not opposed**.
- This bill is a potential vehicle for adding in-store servicing for Single Serve Container Cocktails, also known as Ready to Drink Cocktails.
 - Clarity is needed in the law as it relates to single serve container cocktails.
 - FBWA supports creating an exception to allow for the in-store servicing of single serve container cocktails.
- The bill passed its first committee in the Senate and has not yet been heard in the House.

SB 236/HB 837 – Civil Remedies (Tort Reform)

Sen. Travis Hutson (R-Palm Coast)/Rep. Tommy Gregory (R-Lakewood Ranch)

- Florida is the worst state in the nation in damage awards exceeding \$10 million, known as nuclear verdicts.
- The bill aims to eliminate one-way attorneys' fees for all lines of insurance, protect businesses from paying exorbitant damages, and modernize Florida's "bad faith" law.
- The House bill is ready for the Floor and the Senate bill has one more committee stop.
- FBWA **supports** tort reform and efforts to reduce frivolous lawsuits.
- The bill passed the House 80-31 and has now passed all of its committees in the Senate.