



### 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 574/HB 709 – In-Store Servicing of Alcoholic Beverages

Sen. Danny Burgess (R-Zephyrhills)/Rep. Alex Rizo (R-Hialeah)

- In November 2021, DABT issued a notice informing all distributors and retailers that the in-store servicing of all distilled spirits, including ready to drink cocktails, was illegal. Since then, some of these products are being serviced in retail locations, with no enforcement.
- SB 574/HB 709 will create an exception for the in-store servicing of low proof distilled spirits (under 6% in alcohol by volume) only. This will not only fix an enforcement problem but will allow for the servicing of a product that has a shelf-life, unlike traditional distilled spirits.
- Passing this bill creates a level-playing field for all distributors, as anyone who sells a product below 6% ABV will be able to service the product in stores.
- FBWA **supports** allowing an exception for the in-store servicing of low-proof distilled spirits, such as ready to drink cocktails.



### **SB 1348/HB 1107 – Beverage Law**

**Sen. Nick DiCeglie (R-St. Petersburg)/Rep. Brad Yeager (R-New Port Richey)**

- This legislation makes several changes to the current beverage law in Florida. Among the minor changes is removing references to “kegs” and replacing it with the definition of “barrels.” Barrel is defined as 31 gallons. The bill also reorganizes several definitions within beverage law into alphabetical order.
- The legislation would allow an exception to allow the sale of craft beer at state fairs, trade shows, farmers markets, expositions and festivals.
- The requirement that an alcohol manufacturer file a surety bond with the DABT is removed, though a distributor must still do so.
- The bill changes the calculation used to determine the annual state license tax that each craft brewer engaged in the business of brewing must pay from less than 10,000 kegs to less than 60,000 barrels of malt beverages, which allows such brewers to pay smaller annual state license tax of \$500 for each plant or branch, like a brewpub. This is a significant increase from the last time this bill was filed in 2022, when they attempted to make that any craft brewer producing less than 5,000 barrels would pay that lesser tax.
- The bill creates guidelines for contract and alternating proprietorship brewing, something currently not included in law.
- The bill eliminates the need to register any brand or label that is not sold into distribution. The lack of registration of a brand or label would allow a craft brewer to unknowingly produce and sell beer, thus making it impossible for the state to know whether taxes are being collected and paid.
- FBWA **opposes** this bill due to the many changes it makes to beverage law, including the lack of accountability for craft brewers. This is a clear attempt to expand the several exceptions craft brewers have already received.

### **HB 905 – Beverage Container Deposits (No Senate Bill)**

**Reps. Fabian Basabe (R-North Bay Village) and Marie Woodson (Pembroke Pines)**

- This bill requires consumers and dealers (including distributors) to pay deposit fees for specified beverage containers (including any malt beverage, spirit, wine, etc.) and provides for redemption of beverage containers and refund of deposit fees. The bill authorizes DEP to conduct certain audits and requires notice and provides civil penalties. It prohibits local governments from imposing fees for same or similar purpose.
- FBWA **opposes** this bill as it is extremely broad and burdensome on distributors, other businesses and consumers.