

## GrayRobinson Ends Florida 2017 Legislative Session with Major Alcohol Accomplishments

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As the gavel went down on the 2017 Florida Legislative Session, GrayRobinson's Government Relations Team tallied up a significant list of accomplishments related to the laws that govern the alcohol industry. Among the Team's accomplishments:

1. ***Passage of an amendment to Section 564.01(1) of the Florida Statutes specifically classifying sake as a "wine."*** Previously, sake was treated by the Florida Division of Alcoholic Beverages and Tobacco as an undefined "liquor," which by default put the fermented rice wine product in the distilled spirits segment for regulatory purposes. Treating sake as a liquor meant that it could be purchased only at retail venues licensed to sell distilled spirits, which worked a great hardship on restaurants that operated only with beer and wine licenses. Thanks to GrayRobinson's Government Relations Team, legislators agreed to amend Section 564.01(1) so that starting on July 1 2017, sake can be sold by any on- or off-premise retailer licensed to sell wine.
2. ***Getting the State of Florida to lower the license fee imposed on craft distilleries.*** The GrayRobinson Government Relations Team successfully persuaded legislators to amend Section 565.03 to lower the license fee from \$4,000 to \$1,000.
3. ***Craft distillery bill to expand the scope of permissible package sizes.*** Working on behalf of the Florida Distillers Guild, GrayRobinson's Government Relations Team successfully persuaded legislators to raise the cap on how many bottles of a particular brand distillers can sell to end-use consumers who visit the distillery. Currently, craft distilleries can sell only two bottles per label a year to each distillery visitor. Under Section 565.03 of the Florida Statutes, as amended, craft distilleries now are able to sell up to six bottles per brand per consumer.
4. ***IRC prohibition on wine products stripped.*** Florida currently prohibits beer manufacturers and wholesale distributors from providing instantly redeemable coupons (IRCs) to retailers for consumer beer promotions. During the 2017 Legislative Session, efforts were made to extend the prohibition to wine products. Acting on behalf of winery clients, the GrayRobinson Government Relations Team successfully persuaded legislators to delete the IRC prohibition language from pending legislation, thus defeating the effort to deny wineries and their wholesalers a valuable marketing tool.
5. ***Special liquor license authorized for entertainment venues in Charlotte County.*** Entertainment venues have difficulty complying with current regulations on number of hours and days a quota license must be used each year and meeting the food requirements for a

special food service liquor license. A new liquor license type of 4-COP was created for operators of entertainment venues so that they would be able to sell and serve alcohol beverages during scheduled concerts with no food percentage or days per year opened for business requirements. GrayRobinson's Alcohol Team assisted in drafting wording of this special act for Charlotte County.

6. ***All beverages that contain malt are included in definition of beer and malt beverages.*** Under the existing law defining beer and malt beverages, new beer products without any malt could not be classified as a beer or malt beverage. As a result, the tax rate for such products would be 2.25 per gallon instead of 48 cents per gallon, and only retailers with distilled spirits licenses would be able to sell non-malt beers. GrayRobinson's Alcohol Team assisted in drafting legislation redefining the term "beer" to include non-malt containing beverages that met the federal definition of beer, thus creating the same excise tax rate as malt beverages and allowing retailers with beer or beer and wine licenses to sell such products as long as the alcohol by volume is less than 6%.
7. ***Hours of sale and service of alcohol beverages in Orange County.*** The GrayRobinson Government Relations Team successfully assisted in changing the hours of sale and service of alcohol beverages in unincorporated Orange County so that such beverages could be served beginning at 7 AM at all restaurant and hotel locations.

### **Close, But No Cigar: Tearing Down "The Wall"**

In addition to these successes, the GrayRobinson Government Relations Team also persuaded the Florida Legislature to pass legislation ending the decades-old law prohibiting off-premises sales of distilled spirits in grocery stores, super markets, or anywhere other than a stand-alone liquor store that sold only alcohol beverages. Under the slogan "*Take Down the Wall*," the Government Relations Team worked down to the wire to convince legislators that Florida consumers want a modern marketplace where they can purchase spirits, wine and beer at the same time and same place – as is the case in 29 other states across America plus the District of Columbia.

2017 is the third year the GrayRobinson has been chipping away at the wall. Under the Government Relations Team's leadership, the bill passed both chambers on close margins: 21-17 in the Senate, and a razor thin 58-57 in the House. Also, five House members who missed the vote voted 'no' after the roll call. Following the Legislature's passage of the new bill ([SB 106](#)), a strong coalition of business interests lobbied Governor Rick Scott to take the final step and sign the legislation into law. The Floridians For Fair Business Practices coalition released a series of letters sent to Governor Scott encouraging him to sign the legislation. Supporters of the *Take Down the Wall* bill also included representatives of Americans for Tax Reform, Whole Foods Market, the Distilled Spirits Council, the Florida Restaurant & Lodging Association, Costco Wholesale Corp., Target, Inc., the Independent Women's Voice, the Florida State Hispanic Chamber of Commerce, Sam's Club, the Big Bend Minority Chamber, and Wal-Mart.

Unfortunately, at the last minute Governor Scott decided to veto the legislation. Yet passage by the Legislature was itself a major accomplishment. Filed every year since 2014, this was the first time such a proposal ever made it to the Governor's Office for signature.

GrayRobinson's [Government Relations Team](#) is comprised of numerous attorneys and governmental consultants throughout the state. These professionals work collaboratively at the local government level and at the legislative, executive branch and Cabinet in Tallahassee year round. By leveraging GrayRobinson's statewide presence and the Team's years of experience, GrayRobinson lobbyists are able to stay abreast of what is going on in the Legislative and Executive Branches of State Government at all times. Alcohol-related legislative issues are led by a team of professionals that include [Jason Unger](#), [Robert Stuart](#), [John Harris](#), and [Joseph Salzverg](#), with substantive support from GrayRobinson's [Nationwide Alcohol Industry Team](#).