

2/7/25

GAC Meeting

Attending: Emma Arian - VBA, Jessica Oski - Necrason, Daren Orr - Two Heroes, Jack Droppa - Weird Window, Chris Kesler - Black Flannel, Terry Thompson - Pro Pig, Matt Nadaeu - Rock Art

Week 4 meeting summary [here](#)

Jessica Updates -

- Nothing new is happening on this bill or House Gov Ops Committee - not expecting that next week is the week for alcohol
 - Lucy Boyden is back in the building, but Jessica hasn't had the chance to catch up with her
- No new bills since the last report
- On Commissioner call Wendy said she DID NOT put the bill to the department even in concept
 - Chris - first part came from Wendy, not the second part
 - Email from Lucy
 - H.51 is based on conversations that Rep. Birong and I have had with the DLL. I believe the DLL's interest here is based on past requests from those in the industry and providing parity to wine and malt manufacturers. Additionally, the number 8 in Sec. 1, Fourth Class Licenses is currently a placeholder. The DLL is interested in increasing the number here but did not have a sound recommendation as to what it should be increased to. We'll hear from folks in the industry and adjust as needed.
- Lots happening in the statehouse to put out fire drills a lot of people putting in a lot of hours

Matt

- Can we support 1 section and not the 2nd session? Jessica, yes because it's an omnibus.

Darren

- This is pretty small, but he really wants to see self distribution regulation so he thinks the size is really good for now.

Chris Kesler

- Asked rep Boyden to retract the spirits portion he had asked for to do this.
- Farrell says its small enough they wouldnt fight it - he suggested give a tiered wholesaler license to get up to 5000 gallons. That would cover not allowing the out-of-state.
- Would require you to gave a separate company still

Darren

- A lot of money to pay - Two Heores playing the same as Farrell.

Jack

- Jack supports this new idea, he thinks we should keep in mind that if this passes it will be easier for them to increase the volume down the road

Bob

- Had the same discussion. Should be pressing for tiered wholesale licensing. We do want protection in VT

Matt

- Look at the Maine distro

Take the current wholesalers license and divide it up fairly - maybe 3 tiers - then its only for VT manufacturers.

As written doesn't feel great, but the premise is what the membership wants.

Different tiers of a license would have to be set in statue & possibly the price - usually fees are not at the description of the agency- set by the legislature

Agreement is solidifying around an agreement around H51 part 2 around a tired state license

Gov Affair Committee recommends to the board that the position on H51 on part 2 that we don't want to see that equity with wine enacted, as an alternative we want to see a tired license with a smaller tier and a smaller fee less. COmmittee is ok with part 1

- In favor: 7
- Oppose:

First part of H51 -

Chris motions in support

Bob seconds

- In favor: 7
- Oppose:

Next steps:

- VBA testifies on the bill we don't support second part and here's an amendment and then everyone else talks about it
- Connect Jessica with Sara - tiered license

Email to the VBA Board -

The VBA GAC Committee met this morning to give an official recommendation the the board about H.51 -

1. Authorize the holder of a fourth-class license to sell the products of not more than eight additional manufacturers or rectifiers. Current law allows the sale of products of not more than 5 additional manufacturers.

2. Authorize a manufacturer of malt beverages that operates a brewery in Vermont or anywhere in the United States to apply for a retail shipping license to sell up to 5,000 gallons of malt beverages (about 161 barrels) per year directly to 1st or 2nd class licensees (bar/restaurant or retail outlet) and deliver the beverages by mail, the manufacturer's own vehicle, or the vehicle of an employee of a manufacturer, provided that the beverages are sold on invoice, and no more than 100 gallons per month (about 20logs) are sold to any single 1st or 2nd class licensee. Current law applies this provision to wine manufacturers only. This provision is an effort to equalize the laws between wine & beer manufacturers.

The committee was unanimously in favor for part 1. For part 2 the committee unanimously recommends that they don't want to see equity with wine enacted, as an alternative they want to see a tiered wholesalers license with smaller tiers and smaller fee than the existing wholesaler license. The committee agrees that this alternative will limit out-of-state breweries from distributing in VT and allow smaller VT breweries the opportunity to self distribute as they will no longer be paying the same amount as large wholesaler.