



To: The Esteemed Members of the Alaska House of Representatives:

The Distillers Guild of Alaska has reviewed draft House Bill No. 269 in reference to distillery licenses and supports the proposed changes. The Bill reflects the original intent of the distillery tasting room law, contributes to public safety, is in the best interest of the consumer and the state, and it takes in to account standard industry trade practices.

For the last three years, Alaskan distilleries have been operating their tasting rooms in compliance with state statute. Tasting rooms have fostered growth in this industry- driving local and tourist traffic and allowing small, local craft producers to connect with customers in a landscape of industry giants. Mixing distillery products allows distilleries to showcase their products, and the restriction of such practice was never intended by those who passed the tasting room law in 2014. The statute was added to give distilleries equal footing with breweries and wineries; to enter the tourism sector, to subsidize the high expense of manufacturing in Alaska, to help local products compete with imports, and to allow distilleries to directly market and serve their products to visitors in the way they are intended to be consumed. The way spirits are served is unique to our industry. Allowing for the use of non-alcoholic mixers does not change how much alcohol is being consumed.

However, on January 23, 2018, The Alcoholic Beverage Control Board voted to adopt AS 04.11.170 (d) and (e), which, when it goes into effect will no longer allow the serving of cocktails in distillery tasting rooms. This regulation change will cripple our young industry. We implore the Alaska House of Representatives to adopt House Bill No. 269, which will allow Alaska's nine distilleries to continue operating in the way they were intended to. Our industry creates jobs, value added agricultural products and creates the opportunity for another potential export product for the state of Alaska.

Thank you for your time and consideration of this important matter. If you have any further questions about our specific trade industry practices, please do not hesitate to contact us.

Sincerely,

Maura Selenak
President, Distillers Guild of Alaska