



Representative Chris Tuck

House Minority Leader

Alaska State Legislature

District 22 - Representing Dimond Estates, Foxridge, Taku, Campbell, Northwood and Windemere

Sponsor Statement House Bill 309 An Act Relating to Distillery Licenses

The purpose of HB 309 is to modernize the distillery laws in Alaska, which are outdated and fail to address the new trend in craft beverage production. This legislation brings Alaska's small distillers on par with local wine and beer makers by allowing for tastings, sales of small amounts for on premise consumption, and limited direct sales for off premise consumption. The ability to retail in-house allows a distillery to subsidize a visitor-friendly gift shop or hospitality room and increases the marketability of tours. This will help promote Alaskan-made products and enable this new local industry to compete with imported goods.

Alaska's small distilleries are attempting to enter a market and compete in a field that, since Prohibition ended, has been dominated by large manufacturing companies that have the economic benefit of extremely large-scale production. Allowing distilleries to cater to tourists helps offset the substantial competitive disadvantage that our local distillers have when competing with out-of-state distillers.

Small distilleries in Alaska purchase local agricultural products, create jobs, support their local economies, create export products for Alaska, and have the potential to significantly contribute to the tourism industry in Alaska.

Locally distilled spirits are part of an exciting growth in artisanal, small scale, domestic manufacturing. The current restrictions prevent the businesses producing these products from reaching their full potential in the state's tourism industry and to position themselves to compete on a national and global level.

The changes are on par with what breweries have done to promote regionally-based micro-breweries. Small-scale spirits producers need similar changes to allow them to innovate, create Alaskan-based manufacturing jobs, support Alaskan agriculture, support tourism through visitor centers and tasting rooms, and compete effectively in the marketplace with reasonably-priced handcrafted spirits.