

**ALASKA STATE LEGISLATURE  
HOUSE RULES STANDING COMMITTEE**

April 27, 2001  
2:00 p.m.

**MEMBERS PRESENT**

Representative Pete Kott, Chair  
Representative Brian Porter  
Representative Vic Kohring  
Representative Carl Morgan  
Representative Reggie Joule

**MEMBERS ABSENT**

Representative Lesil McGuire  
Representative Ethan Berkowitz

**COMMITTEE CALENDAR**

HOUSE BILL NO. 152  
"An Act relating to brewpub licenses."

- MOVED CSHB 152(RLS) OUT OF COMMITTEE

**PREVIOUS ACTION**

BILL: HB 152  
SHORT TITLE: BREWPUB LICENSES  
SPONSOR(S): REPRESENTATIVE(S) HALCRO

Jrn-Date	Jrn-Page		Action
02/28/01	0461	(H)	READ THE FIRST TIME - REFERRALS
02/28/01	0461	(H)	L&C
04/02/01		(H)	L&C AT 3:15 PM CAPITOL 17
04/02/01		(H)	Bill Postponed To 4/6/01
04/06/01		(H)	L&C AT 3:15 PM CAPITOL 17
04/06/01		(H)	Moved CSHB 152(L&C) Out of Committee MINUTE(L&C)
04/10/01	0921	(H)	L&C RPT CS(L&C) 1DP 2DNP 3NR
04/10/01	0921	(H)	DP: HALCRO; DNP: KOTT, ROKEBERG;
04/10/01	0921	(H)	NR: HAYES, MEYER, MURKOWSKI
04/10/01	0921	(H)	FN1: ZERO(REV)
04/24/01	1181	(H)	COSPONSOR(S): MCGUIRE

04/25/01 1218 (H) COSPONSOR(S): CRAWFORD, CROFT  
04/27/01 (H) RLS AT 2:00 PM Speaker's  
Chamber

**WITNESS REGISTER**

REPRESENTATIVE ANDREW HALCRO  
Alaska State Legislature  
Capitol Building, Room 414  
Juneau, Alaska 99801

POSITION STATEMENT: Testified as the sponsor of HB 152.

**ACTION NARRATIVE**

TAPE 01-11, SIDE A  
Number 0001

CHAIR PETE KOTT called the House Rules Standing Committee meeting to order at 2:00 p.m. Representatives Kott, Porter, Kohring, Morgan, and Joule were present at the call to order.

HB 152-BREW PUB LICENSES

[The tape counter numbers indicate the number of minutes that have elapsed.]

CHAIR KOTT announced that the only order of business before the committee would be HOUSE BILL NO. 152, "An Act relating to brewpub licenses."

00.5

REPRESENTATIVE JOULE moved to adopt CSHB 152, 22-LS0354\0, Ford, 4/27/01, as the working document before the committee. There being no objection, version 0 was before the committee.

00.7

REPRESENTATIVE ANDREW HALCRO, Alaska State Legislature, testified as the sponsor of HB 152. Representative Halcro characterized the proposed committee substitute (CS), version 0, as a "compromise of a compromise." He explained that [the CS] attempts to reach some middle ground for next year in order to provide some of these operators some time, while a permanent resolution is being worked on. Version 0 would allow some of those operators that are close to the current cap to continue with business as usual. Representative Halcro announced his intention to hold meetings this interim.

02.6

CHAIR KOTT related his understanding that the proposed CS doubles the amount of gallons to 150,000 and [that amount will sunset June 30, 2002].

REPRESENTATIVE HALCRO agreed with Chair Kott's understanding.

03.8

REPRESENTATIVE HALCRO, in response to Representative Joule, explained that there are a handful of brewpub licenses, which allows an establishment to brew its own beer and sell it in their restaurant as well as wholesale. There is a 75,000 gallon cap. However, some of these brewpubs have expanded their operation to a second location and thus the 75,000 gallon cap is problematic. One of these establishments is projected to reach the 75,000 gallon cap at the end of September. At that time this establishment can either stop brewing and selling their own beer or have someone else brew their beer, buy it from them and resell it in their restaurants. This bill would provide a bit of breathing room.

REPRESENTATIVE HALCRO acknowledged that some are weary about raising the cap. He said, "Certainly, they can continue to sell beer, it's just comes down to who's brewing it. And I think we all want to keep Alaska jobs in Alaska rather than having these guys have to have their beer brewed in Seattle and shipped up."

05.5

REPRESENTATIVE JOULE asked if those breweries outside [Alaska] are under any such limits.

REPRESENTATIVE HALCRO replied no and pointed out that other [states] would not be impacted by this legislation.

REPRESENTATIVE KOHRING related his belief that when the cap was established, it appeared to be somewhat of an arbitrary limit. Now, there is a successful business that is being impacted by this arbitrary limit. Therefore, he felt that it would be reasonable to pass the proposed CS out of committee. Representative Kohring remarked that he believes there shouldn't be any cap because it should be based on the market.

CHAIR KOTT noted that the [Moose's Tooth's] amendment, repealing the provision in June 2002, was included in the proposed CS. Chair Kott closed the public testimony.

07.5

REPRESENTATIVE PORTER moved to report CSHB 152 [version 22-LS0354\0, Ford, 4/27/01] out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 152(RLS) was reported from the House Rules Standing Committee.

#### **ADJOURNMENT**

There being no further business before the committee, the House Rules Standing Committee meeting was adjourned at 2:08 p.m.