



**Promoting and Protecting the Interests of the North
Dakota Craft Brewing Community since 2013**

March 7, 2023

Testimony in SUPPORT of House Bill 1449

Chairman Kannianen and Members of the Committee:

I'm Scott Meske, representing the North Dakota Brewers Guild and on behalf of the membership we respectfully ask for your support for House Bill 1449. The Code language we are requesting is a simple fix regarding event permitting for the brewpubs and taprooms who wish to participate in off-site events in their communities, and cleanup language for our North Dakota craft beverage industry.

Century Code Chapter 5-01-14 relating to Microbrew Pub Licenses and Chapter 5-01-21 relating to Brewer Taproom License allows the tax commissioner to approve up to 40 event permits per year at which licensed craft brewers may provide samples or sell their beer. The Code then goes on to attempt to define what some of what those events may be. This has caused some confusion amongst producers, and sometimes the tax commissioner's office.

Whereas, in the Century Code relating to craft wineries and distilleries in North Dakota, it merely states "up to 40 off premise events." Period. No other definitions required.

To clear up the Code, and hopefully to smooth the approval process, we are asking that the Code language in the brewpub and taproom Chapters mirror that of our fellow craft beverages in North Dakota. We are not asking for more permits, or special exemptions. This language does not permit any "work around" of the three tier system, and still requires producers to work with a local retailer and the local distributor to legally move the beer from taproom to the event.



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North Dakota has 23 licensed brewpubs and taprooms in North Dakota and we rank 49th in the nation in terms of craft beer production, despite growing the best barley and grains in the country. The craft beverage industry requires a hefty investment, strong marketing, and a commitment to producing quality products. These small businesses are a true value-added agriculture product, bringing economic development, tourism and tax revenue to the communities in which they reside.

Section 3 of the bill removes the requirement that distilleries be required to use the majority of their ingredients from North Dakota. While I do not represent the seven licensed North Dakota distilleries, we do support this proposed code language.

Cleaning up the regulatory environment, without circumventing the three-tiered regulatory system, is one way the State can support all of these small businesses.

The North Dakota Brewers Guild requests a DO PASS on HB 1449.

