



April 18, 2023

The Honorable Mark Johnson
Chairman, House Commerce and Labor Committee
77 South High Street
12th Floor
Columbus, OH 43215

Dear Chairman Johnson:

On behalf of the Distilled Spirits Council of the United States (DISCUS), the national trade association representing the leading producers and marketers of distilled spirits sold in the United States, I am pleased to offer our support for HB 86 to increase microdistillery production limits and remove the fee requirement for tasting samples.

HB 86 proposes to increase the production limit for microdistillery licenses from the current 100,000 gallons annually to one million gallons annually. While DISCUS in principle does not support any production limits on distilleries, we believe HB 86 is a step in the right direction to remove an artificial barrier on Ohio distilleries who are looking to grow their businesses. The current limit places a glass ceiling on the burgeoning in-state industry that should be lifted to encourage growth and innovation.

Other provisions in HB 86 repeal the requirement that a \$0.50 fee be assessed on each sample at tastings events held at agency stores. 45 states allow consumer tastings at off-premise retail locations and nearly all of them allow samples to be offered without a fee to consumers. There are currently more than 15,000 distilled spirits products on the market in the United States, and hundreds of new brands are marketed each year. Tastings are an extremely effective way to encourage responsible adult consumers to try and ultimately choose new beverage alcohol products, as well as to select existing brands that may be new to these consumers. State law places appropriate limits on the number of samples per person (no more than four samples of ¼ ounce each) and length and frequency of these events to ensure they are conducted in a responsible manner. We encourage you to update Ohio's law to remove the antiquated fee associated with tastings.

Thank you for your consideration in supporting Ohio distillers and the greater hospitality industry through the changes proposed in HB 86.

Sincerely,

A handwritten signature in black ink, appearing to read "AD", with a stylized flourish at the end.

Andy Deloney
Senior Vice President and Head of State Public Policy

cc: Members of the House Commerce and Labor Committee