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State Representative, 51<sup>st</sup> House District

Chairman Johnson, Vice Chair Manchester, Ranking Members McNally, and members of the House Commerce and Labor Committee, I appreciate the opportunity to present sponsor testimony on House Bill 306.

This bill aims to modernize Ohio's Alcohol Franchise Law, acknowledging the evolving landscape of the brewing industry. House Bill 306 supports small businesses while also fostering the growth of a promising and emerging sector within our state.

With over 400 craft brewers in Ohio today, these businesses are economic catalysts in both rural and urban areas, playing a vital role in contributing to job creation and community development.

House Bill 306 enables craft breweries, producing fewer than 250,000 barrels annually, to engage in contracts with distributors that meet their individual needs. This is a freedom that most small businesses in Ohio already have.

Current franchise law for the brewing industry, enacted almost half a century ago, binds craft brewers to their distributor in perpetuity, even if both parties wish to get out of the agreement. While sensible at the time, existing law does not align with today's diverse market. This legislation addresses this burden, preventing prolonged legal battles and ensuring a level playing field for contract negotiations without compromising distributors' business interests.

Chairman Johnson and committee members, thank you for the opportunity to present sponsor testimony on House Bill 306. I am available to address any questions you may have at this time.