

Statement of Elmer Steingass

Supporting SB-102

My name is Elmer Steingass. I am a constituent of State Senator Kristina Roegner in the 27th Senate District in Ohio and Scott Wiggam in the 1st House District in Ohio. I am an avid homebrewer of beer, having done so for nearly 25 years. I am a member of the American Homebrewers Association (AHA), the national organization for homebrewing hobbyists, based in Boulder Colorado, and serve on its fifteen-member Governing Committee. The AHA Governing Committee serves as a portal for communications between the nearly 40,000 AHA members and the AHA. It also makes policy suggestions to the AHA staff. I am also a certified beer judge and have judged numerous competitions around the country over the past 19 years.

As a bit of background, in 1978, Congress enacted Public Law 95-458 (HR 1337) which amended the Internal Revenue Code to permit the production of homebrewed beer for personal or family use without the payment of tax. This was signed by President Carter and is codified in 27 CFR, Section 25.206. It limits the amount of beer that can be produced by an individual to 100 gallons per calendar year if there is one person of legal age residing on the private property where the beer is being produced or 200 gallons per calendar year if there are two or more people of legal age residing on the private property. It also permits the removal, transportation, and serving of the homemade beer from the premises where it was made for organized affairs, exhibitions, and competitions such as tastings and judging. Under 27 CFR, Section 24.75, adults may produce wine for personal or family use in the same amounts as beer. For the purposes of clarification, mead and cider are considered to be in the same category as wine. Pursuant to the above referenced federal law many states have amended their liquor laws to comply with the provisions of this federal law. It should be noted that the Ohio Liquor Law is silent with regard to all aspects of homebrewing, making the Federal Law the controlling statute.

Each year, the AHA holds a national convention known as Homebrew Con. This event rotates to different cities around the U.S and draws in the neighborhood of 3000 AHA and members to the host city. It also brings in millions of dollars to the economy of the host city and additional tax revenue to the state's coffers. For example, the recent conference held in Minneapolis, MN in 2017 brought in and estimated \$3.98 million in economic impact with an estimated \$186,000 in state tax revenue and \$100,000 in local tax revenue. There are also various homebrewing competitions held around the country so that homebrewers can get important feedback on their beer, ciders, and meads. It should be noted that events such as Homebrew Con, which normally hosts the final round of the yearly National Homebrewing Competition, is closed to the general public. One must be a member of the AHA to attend Homebrew Con. Furthermore, all other

homebrewing competitions are restricted to beer judges, stewards, and staff running the competition and are closed to the general public.

Ohio has held three Homebrew Con events in the past: Cincinnati in 1989, Cleveland in 1997, and most recently again in Cincinnati in 2008. The 2008 Cincinnati event was almost cancelled at the last minute due to an issue with the Ohio Department of Liquor Control (ODL) who raised concerns about transporting and serving untaxed alcohol at the event, even though it was an event that was not open to the general public (a person has to be an AHA member to attend Homebrew Con) and despite the fact that this was permitted under Federal Law. They required a special liquor permit to be issued for the event and the ODL very nearly didn't issue it once the AHA and the event coordinators agreed to purchase the permit. SB-102 resolves this issue by eliminating the permitting requirements for closed events like those mentioned above. This would also open the door for holding another Homebrew Con in Ohio in near future and we are eyeing Cleveland again as the possible venue for the event. A Homebrew Con in Ohio will not be possible unless we amend the current liquor law to permit this event to happen.

I would note that SB-102 is revenue neutral. It imposes no financial burden on the State of Ohio, Ohio taxpayers, or the ODL. It will however permit organized events like a future Homebrew Con to take place in Ohio which will generate substantial local and state tax revenues from things like hotels and merchants. Furthermore, all homebrewing competitions are self-funding through the entry fees and require no monetary support from state or local entities.

In closing, many homebrewers eventually work their way into the professional field. I worked for six years as a brewer at Hoppin' Frog Brewery in Akron, Ohio. One of the homebrewing clubs I belong to has had at least seven brewers move up to the professional ranks and open their own breweries. These homebrewers, and I include myself here, made their decisions to do so following feedback they received from their peers at various competitions held around the country. Amending the Ohio Liquor Law to codify what is permitted by the federal statute that legalized homebrewing will allow others to make sound decisions on a pro brewing career through feedback they receive from legal Ohio homebrewing competitions and conventions