

MINUTES  
**HOUSE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 06, 2019

**TIME:** 9:00 A.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Harris, Vice Chairman Armstrong, Representatives Crane, Palmer, Barbieri, Holtzclaw, Monks, Zito, Scott, Andrus, Hartgen, Young, Smith (Nye), Gannon, Green(18)

**ABSENT/  
EXCUSED:** Representative(s) Scott

**GUESTS:** None

**Chairman Harris** called the meeting to order at 9:00 AM.

**SCR 103:** **Rep. Armstrong** presented **SCR 103**, relating to the rule rejection of **Docket 38-0501-1801**, section 114.02.b.

**Rep. Armstrong** introduced **Kate Haas**, Kestrel West, who explained the reasoning for the Senate rejecting the section was substantive issues from an industry point of view and procedural issues with the rule making process. The Department of Administration has committed to conducting an improved rule making process.

**MOTION:** **Rep. Armstrong** made a motion to send **SCR 103** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Armstrong** will sponsor the bill on the floor.

**S 1078:** **Rep. Dixon** presented **S 1078**, relating to contracting brewing. **Rep. Dixon** explained contract brewing allows smaller breweries to utilize the facilities of a larger brewer. However, under current law, the issue and definition of contract brewing is ambiguous. **S 1078** would clarify the definition of contract brewing, which could help entities including the Alcohol and Beverage Control navigate the growing industry. **S 1078** is a pro business bill and would help the economy.

In response to committee questions, **Rep. Dixon** explained a small brewer has a 30,000 barrel production limit. **Rep. Dixon** introduced **Sheila Francis**, Idaho Brewers United to answer other committee questions. Ms. Francis explained that a brewery owner is limited to 2 licenses under law.

**MOTION:** **Rep. Green(18)** made a motion to send **S 1078** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Dixon** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:32 AM.

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Representative Harris  
Chair

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Julia Grief  
Secretary