

GAC Meeting (2024-01-26 11:32 GMT-5)

Attendees

+1 802-***-**48, +1 802-***-**95, Avery Schwenk, Bob Montgomery, Chris Kesler, Emma Arian, Hannah Goldman, Jack Droppa, jessica oski, Matt Wilson, Terry Thompson

UPDATES: Jessica Oski

jessica oski: This week the governor gave his budget address which it's an annual event but it did sort of set the mood while things aren't as bad as some people expected. There's not a ton of money to do any fun things. So lawmakers are a little frustrated by that and it's looking like there's probably going to be another Battle between the legislature and the governor over spending and taxing. So that is yet to come on our issues the house.

- Government operations and Military Affairs committee did have their first hearing on some alcohol bills. And we asked if we could come in and speak to them and it's not going to be next week or Matt and Emma. It's going to probably be the week When they're going to come back to this and they'll start taking testimony about the bills that at. They have a bunch of bills on their wall, but the bills that they looked at this week. Were they picked out three the first one was about
- **H 643:** which is about allowing the sale of clothes containers within a first or third class license serving area and the sponsor of this bill actually said referred to a brewery as a good example of why this current situation doesn't really make sense or it could be improved upon or could make it easier and if you want to sell a four pack, you have to do it in a different location then where you're serving your drafts and
- I don't know if a brewery brought it to her. She didn't say why she's bringing this but it would apply to any first or third class license that wants to serve close containers. It also has a second class that wants to serve close containers the other yeah.

Bob Montgomery: Jessica I'm almost certain that was craft beer seller and Waterbury because Nathan wanted to has brought in the whole separate area to pour full pores, but he has to do a physical designation between that and the rest of the door the rest of the shop.

jessica oski: It seems like something that would make your lives easier if you fall into this category, so this might be something that when we have the opportunity to talk to the committee.

- You just want to acknowledge your support for maybe you have some stories to tell yourself.
- **H 680** an act activated to expanding access to special venue serving permits. And this is one that in previous meeting some members have expressed concerned about this is the special venue permit with a lot is a permit that allows a bookstore to serve wine or beer at a special event that they're having.
- It's a one done. It's not an ongoing epic. The permit is just for one event. And this would expand it Beyond bookstores. I think it was originally like art galleries and then they made it into bookstores and now they want to have it be any retail establishment. I was surprised that the sponsor of this Bill said that the dll Would likely support at the dll has not weighed in on any of these bills, but they sponsor had been in touch with the dll and the dll so you can just suggest that they were going to support it again. That surprised me. I've been looking to see if I can connect with Charles

and the building from the dll but he hasn't been here for the past couple days. So I haven't connected with him, but I will and ask him about these bills.

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jessica oski: so I don't know if this bill has supported a committee. It does seem like it's creating a lot more opportunities to serve alcohol to the public by people that may or may not I don't know what requirements the servers in these instances what kind of training they have to have but I assume that they have to have some training the last bill that they considered was the bill that has to do I think with Eden wines this would allow. Two establishments that hold separate liquor licenses, but have a common owner.

jessica oski: And I don't know I don't see this really as a tied house concern. I think it's not too different kinds of licenses. It's one kind of license. So, I don't know if you all have concerns about this age 662. And I think in my notes there's a little bit more detail about. Why the sponsors wanted this bill? I don't have that front of me. But those are the three bills that initially came up for consideration any bill that's in the committee right now could be something that the DBA could speak to when we go in to the committee. There were no additional bills introduced and I think that bill introductions are pretty much done. So what is currently in the hopper?

jessica oski: Is what we're going to have this year for bills. Yep.

Paul Saylor: so that phrase you use taking bills off the wall and considering them. I've heard representative Byron used that term and he was speaking from the standpoint of Whether he would be taking bills off the wall and having the committee consider them. I know that in the past with representative Stevens being the chair of the previous committee that I Wrong was overseeing alcohol for that representative Stevens had sort of an interest and sort of knowledge of the alcohol realm and often had a position. And so I think he probably had some influence in terms of what it's got taken off the wall and considered but I just wanted to ask if you could speak to the renew the new committee and sort of what role represented Birong is playing are there other people in the committee of the representatives, who are Asking this to certain bills taken off the wall or is representative representative Birongs or in charge of that.

jessica oski: And no, he's not in charge of that. I mean there's another member of the committee representative Boyden who is from Boyden Farms. Wine Cellar, so the bill **h643** about closed containers that was sponsored by her the bill about expanding access to special venue permits was Birong was a sponsor of that. And the merger of entities bill was sponsored by A representative marcott chair of the Commerce Committee. So it's really any member of the committee who can ask to take up a bill ultimately. It's up to the chair to decide but when they're Having a walkthrough of bills. It's pretty open season. Usually if a Committee Member wants to walk through a bill the chair will allow that and then it's up for the majority of the committee to pursue a bill further unless it's something that the chair really doesn't want to do. Usually it's majority rules.

- **Birong** Is the vice chair of the committee, So he does the scheduling, he works with the chair to schedule. What is coming up for the committee making decisions? he's a leader in the committee.
- He considers himself and I think that the chair probably relies on him as the expert in the committee in this area. for And now that he's the vice chair. He has even more influence and Authority than he had in representative Stevens committee because he was not the vice chair. But represented Stevens look to him too because he is a license. He had been a restaurant tour with the liquor license. And so yes, he has influence but other members have influence too, but the vice Cherry is a little more influence. I don't know that gatekeeper is the right word.

Matt Wilson: A rule I think seeing how really what they're just trying to do is include some other businesses. and in the light that they're also seeing support from the dll. I don't really see any reason why we would go against it. I think that would be a poor position to take at this moment. So I think Unless anybody feels differently. I think I can sort of get over my own personal concerns about bookstore employees serving alcohol. But that was kind of like again one of my things that I brought up so I'm kind of willing to back off of that personally unless anybody else feels strongly about that.

DTC:

Terry Thompson: I'm kind of on your side mat with this bill. I believe when I was reading something last week about the Retail sending it home. A lot of things weren't done correctly that they were supposed to be.

Terry Thompson: So I feel like it could be the same thing on this end with this bill.

Matt Wilson: You referring to the report on the shipping beer thing that the Jessica shared.

Matt Wilson: Yeah, I was pretty shocked at that too. That was a little just hardening and yet to your point to the nature of what my concern is we have people that really aren't trained doing things that ultimately is the safety issue. So I mean again, I think that we walked out fine line of wanted to represent those things, but also trying to support other support business, so that's where I guess if they're strong feeling from this group about it, maybe we take a position but Does anybody?

Terry Thompson: that's just my straw. That's just how I feel about it. Usually I don't like to talk right away. I like to get into things but I just think it's a slippery slope, if they don't want to have happy hour because it could promote binge drinking and they want to have rules on one side. They should have rules across the whole board.

Matt Wilson: Yeah.

Matt Wilson: Anybody else feel any way about that bill?

jessica oski: It will be interesting to hear what the dll has to say because they are generally sort of conservative when it comes to. the liberalization of permit of these permits. So I would expect that they would share your concern about safety. So that's why I'm curious to hear what they have to say.

Avery Schwenk: Has Wendy knight ever brought up safety as a concern for any of the bill.

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Avery Schwenk: She's addressed. I don't know. That's not as a joke Jessica. That's serious. I think that was a thing from the previous administration and Wendy night has never brought up safety as a concern that is focused on economic development of literally every other concern.

Special Venue Permit:

Jack Droppa: question on that bill maybe I'm just not understanding. It's allowing a bookstore or any other store to buy beer, whether it's from us or from a store and then have their employees serve it not us come in and pour on beer like we do already right? It's just like hey, they want to have a beer event and

they can buy Some mine a case of Chris is zero gravity have a bunch of beer than one of their employees is pouring it right is that basically what that the bill is asking?

Matt Wilson: It seems like it. Yeah, I don't...

jessica oski: exactly

Matt Wilson: where the three tiered system comes into play there. if they're literally buying from on a liquor store and then serving it. I don't know if it's clear if it's also Spirits or just beer and wine Jessica. I don't know if you have that detail, but

Jack Droppa: So I mean, I guess my thing is the deal if they are going to pay employees have to be trained?

jessica oski: Just trying to pull up that the definition of a special venue permit. I doubt it's for Spirits. I think it's just for beer and wine, but I have to look in the statute to confirm that I will put that in an email to you after this meeting. Maybe you can look up it's hard for me to look and...

Matt Wilson: It seems like the nature of the bill is to try not exclude retail businesses that are essentially doing the same thing that just sell clothing instead of books.

jessica oski: Yes.

Matt Wilson: It's like why is it allowed for a bookstore to do it but not somebody selling pants and t-shirts and From that respect the law is already in place for this other class retailers. It's kind of silly to put up a fight about it,

jessica oski: it is limited to malt and vinous beverages.

Chris Kesler: these are limited number of permits that they can get now is just one day permit and other

jessica oski: It doesn't say in the definition.

Matt Wilson: That's a good question.

jessica oski: I'd have to go to the comment section of the statue to find that on rtds just as an aside that there's a bill right now to prohibit the sale of tobacco products that have flavors or Menthol Vapes and cigarettes. And there was Amendment drafted. I don't think it's going to go into the final bill, but about rtds and there might be a study in the film now, but limiting the advertising and where they're placed in the store to try and Restrict the appeal to young people. Good luck with that.

Avery Schwenk: The beverage that they designed the definition to specifically appeal to young people that one.

Matt Wilson: Is it Mountain Dew or is it hard Mountain Dew?It's hard to tell. It looked the same.

Matt Wilson: Yeah, anybody else any last thoughts today? I think Jessica said we'll know more when we hear kind of where the dills at. I think we've got some nice participation from the group on this one. So let's keep it rolling on a little review of 643. That's the selling, second class or closed containers in the same space. I personally want to go on the record I think this is a great move for our industry. I think the restrictions they put on that or onerous and unnecessary and whoever brought that up. I think it's my opinion High time to just do away with it. So if anybody feels differently I think love to hear it, but I think we should put support behind it personally.

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Matt Wilson: Yeah. Great. Bob you feel good about that up there in the Kingdom.

Matt Wilson: Feel like that.

Bob Montgomery: Are yeah, yeah, We're good. Thanks. Thanks, Matt.

Merger Bill:

Matt Wilson: Nice Bob, just I know you guys have a unique situation up there. Just want to make sure that there's nothing we're missing. And then each 662 the merger. Seems like that was for a payroll thing that they wanted. So, reasonable fight that thing.

jessica oski: So those are the three bills that came up first. But that doesn't mean that when we go into classify we can't talk about other bills that are on the wall that we are interested in including the happy hour bill.

- I think it's not going to be next week. but it'll be the week after most likely that Matt and Emma will speak to the committee any other members here are welcome to chime in or even show up and watch the testimony, but if there's other bills, maybe we want to Decide what they are this week or next

Matt Wilson: I do want to just get everybody's pulse about the happy hour thing Jessica's starting with you. You said that there's really not support for the happy hour Bill and that it's not likely to pass. Is that right? right

jessica oski: Yes. That starting with representative Iran. Has not a fan.

- And so I would be surprised. I mean it's not a bad idea to talk about something like that because that lawmakers had something in their mind, but their mind could be change or they could see it another way. So it's not the end of the world to bring up something even if it's not going anywhere and it could just lay the foundation for a conversation in the future, but I don't think it's the reality. it's unlikely to move this year.

Matt Wilson: I brought this up at the VBA board meeting earlier this week given that fact that there isn't much likelihood of it going through. Given kind of what seemed like a lack of support from this committee before that board meeting and even in the Outreach that was done to the membership to try and get people's opinions about it. It seems I don't know our group wasn't other than the board voting in favor of supporting it right didn't seem like there was a huge rallying behind this thing and on the other side there was a little bit of a safety concern and does it look like, the VBA supporting something that arguably may be a safety issue.

- It seemed like maybe that was an opportunity to say we're not gonna oppose the bill but maybe not going up and saying we are behind it because it's a lost cause the board seem to feel pretty good about that sort of moving to just sort of a non-position about it when it comes time to testify personally that works for me. I don't have strong feelings of support for the bill. But I do want to make sure that if people feel like it's important. Because of the board voted in favor of supporting it last session that we still go ahead and testify in favor for it. because they said that they didn't feel that it was necessary. I don't either but if anybody here feels like we're obligated to do that. I think that sort of speak now. Otherwise, I think maybe we'll just let it pass as far as putting our weight behind it.

- So looking at other bills that are on the rap sheet, but not necessarily presented this last week. Does anybody want to Bring those to the Forefront now to talk about we can always. kick this to next week's meeting as well if nobody's Feeling too strongly about any of the current ones.

DTC:

Jack Droppa: Are we going to touch on that DTC report or is That shipping thing because I got comments on that.

Matt Wilson: Yeah, I think Jessica you mentioned to be good for us to run did everybody have a chance to look at that. I thought it was fascinating personally and honestly kind of scary. I don't know if that's the kind of thing that we would want to put our name behind personally. It seems like it's a slippery slope and getting slippery, but

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jessica oski: yeah, my sense on that is that it may Inspire dll to think about legislation for next year to clarify tighten, put some more guardrails around the director consumer sales. I don't think anything's going to happen this year, but you might get asked about it if you're in the committee.

Matt Wilson: Yep, one thing that did was of interest to me and I don't know if anybody read this this way but one of the bills I came over which number it was. It seemed to be talking about, who are the licensed delivery people at almost seemed to be more aimed at ubereats and those types of practices one thing that some of these laws might allow would be for us or a brewery to do their own local deliveries to people in their Community where it made sense to I don't know if anybody read it that way but for example, if you had a person that you wanted to pay, certain bucks an hour to ride his bike around and deliver four packs to people in your neighborhood that could be kind of a rad thing for us to be able to do whether anybody would actually choose to do it. I don't know I know in Burlington there's been bakeries and things like that do that and it just seems like a cool Community thing.

- : so I read it that way it's like wow maybe that could be a fun loophole for our membership to be able to do it if people actually wanted to but beyond that the shipping beer thing seems a little scary.

Jack Droppa: So what is a license entity that they're talking about the time? I believe what I didn't even think about. Ubereats or Lyft or whatever I was thinking more, UPS FedEx that kind of stuff.

- what does it mean by a licensed entity? And then when they're talking about carrier training requirements they say that There is a one in Vermont but then the next sentence they go on to say they have no authority over any carrier. So why I mean I don't know my whole feeling with this is if you want to get beer shipped to you great. I'm not gonna do it, but other people might want to send beer across I don't know the whole thing to me was ridiculous in the fact that one of the things when their time out delivering it to a minor. they delivered it twice and they got the parent and then at the same carrier, they know there's a parent home. Why not just drop it off maybe the parents busy who cares it for me? if you have established there's a parent home at that address. That's the beers and liquor or whatever is addressed to
- It doesn't matter if the UPS guy drops of the door or hands it to a kid if he's gotten the parent signature two times before he's gotten four deliveries in three days. That was one of them. I have the whole page of notes on this but that's one of I know how y'all about that, but

Bob Montgomery: Yeah, that's a man. That's a pretty clear-cut legal issue. I know when we were doing home delivery things during the pandemic that they were abundantly clear that minors weren't allowed to physically receive any sort of alcoholic beverage. Even if there were literally an adult standing behind them in the hallway. So I mean that's where that comes down. it's pretty Stark law. it's not really negotiable. But as far as carrier training, who knows how that's actually calculated and dealt with the interesting thing about this report to me aside from it primarily being whined to Avery's was that there are at least three illegal sellers listed as notable suppliers of beer including my beer Collectibles, which is hysterical to me because they're on that list. They're already an illegal beer seller evading taxes evading all kinds of other laws and yet they're listed up there with every Brewery that's up there and every wine club and everything else. So it's

- It would be interesting to know how many of their sting operations yielded as many, minor sales and other normal sting operations against this. this is a very strange study that they've done and it's highly Collective I don't think it's particularly useful and the only end result is that it scares people into not shipping beer anywhere. I don't know. I think this is some weird weird stuff.

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Jack Droppa: So I mean I get that legal you can hand it to a minor but these are people that are paid. I don't know maybe just over minimum and they have a hundred packages to deliver in a day and t if it's marked that was another thing that some of them were marked whatever but just they're trying to get out the door get their package dropped off and dropped out the door. I mean again if the deal wants to spend their time and go after FedEx or UPS let them but things In the report that it said whatever.

- For 20% of the entities that they ordered from reported those sales to the dll but it says four out of 16, but they said they had four reported in 16 didn't which would be 20% but then they said they had 40 sales over the other 20 went but if they had 40 sales eight of them were in Vermont. I assumed was four that 20% It was eight where the ones that reported the dll. how is Sierra Nevada, which was on the list supposed to know that they're supposed to call up the Vermont dll be like, hey, we're shipping beer. And then the other thing I saw on there was they want a list of every person in the state that orders mail delivery beer. Or wine or whatever that's ridiculous as well. I'm not a fan of that either. but

+1 802-*-**95:** I would just add some historical context for this report and this discussion as long as I've been involved interacting with the dll on the legislative level the dll have if there's one area that they just are absolutely focused on and non-yielding on and Draconian on it is

- alcohol passing physically to minors whether it's in a beer garden setting where someone sitting there having a beer might reach across the fence and hand the beer to a minor who's walking by that's the sort of thing that dll is just passionate about and it's an Institutional reality that's been like that for forever. And while the dll has changed under windy night. I would say that this particular issue. It seems to me like they are looking to possibly shut down sort of the three Wheeling latitude of delivery to homes of alcohol using this sort of very reactionary position that they've always had about how call going to minors, as a reason for it, so I would just be prepared for the dll to come.

+1 802-*-**95:** And take aggressive tactics on that sort of level.

Bob Montgomery: I think the other thing that's important to note on this as well is that they will probably have to start working with UPS and FedEx directly because those organizations do commit to having trained staff and following the laws of the state. So yeah they're gonna have to deal with carriers directly

on that part of it. But if most of these sales are legal shipments anyways, they're not marked their, person to person which is what they're insinuating. Basically then there's not much anybody can do about that except kept it catch it as it comes in and I don't think UPS does tend to police these things if they're not marked as alcohol or it looks like it's not coming from a licensee. But like you said Jack these they're just trying to process millions and millions of packages. So they're not going to catch everything.

- I don't know that's going to yield ultimately whether there will be any action on it. But like Paul said if it has to do with miners they will pursue that in some direction and they'll have to work with the carriers directly because that's the carrier issue. It's not a licensee issue at that point.

jessica oski: and even It did the reports say that miners were mail ordering these beverages or they just could possibly get it...

Bob Montgomery: They're acting as recipients.

Bob Montgomery: That was noted.

jessica oski: so I don't know how many of you are parents, but I'll tell you that the way that my kid gets alcohol is not through ups, but whose name through snapchat so they got a

Jack Droppa: Yeah, I think what at least for my reading the report and somebody can correct me. wrong, the dll guy ordered the beer to this Airbnb that they paid for and...

Bob Montgomery: he

Jack Droppa: so hopefully that wasn't us paying for it, but that then the first the carriers And ask for a signature from adult and then the next day signature from adulting in the third day. He the minor was ordering it necess. Maybe but it was just that they handed it to the minor instead of handing it to the parent which was a deal agent.

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Bob Montgomery: yeah. It's probably.

Jack Droppa: It's They stings. which is questionable to begin with anyway, but

Matt Wilson: What we do with this information, I guess we'll see what they do with it. I think we've obviously got some fun opinions about it, but anybody have any other bills? from this week or potential that they may talk about next week that we want to get ahead on.

Matt Wilson: If not, I kind of do get the sense the next week's meeting will have a bit more information right after the dll has their testimony.

Bob Montgomery: It seems like a good plan Matt.

Matt Wilson: Thank you, barring any other further thoughts. I say let's have a great Friday everybody.

Bob Montgomery: Okay, great. Thanks. Take care.

Matt Wilson: Thanks.

+1 802-***-**95: picture everyone

Meeting ended after 00:37:12 🙋