

## VBA Legislative Update – Week 6 February 14, 2026

### → Update on VBA Issues

**VBA Priority Legislation.** On Wednesday, February 11, the House Government Operations committee met to hear more testimony on the Omnibus Alcohol Bill ([current draft](#)). Witness included:

- Levi Kraemer, Co-owner and Head Brewer, Kraemer and Kin
- Ehren Hill, Owner, The Blackback Pub. Testimony [here](#).
- Chris Kesler, Vice President, Distilled Spirits Council of Vermont. Testimony [here](#).

The testimony was well received. Levi and Ehren spoke in favor of the proposal to allow self-distribution up to 5000bbls. Chris spoke in favor of expanding access to Class 4 licenses and in favor of self-distribution.

The committee is [scheduled](#) to return to the Omnibus Alcohol Bill next Thursday afternoon. Last Friday, the VBA sent the committee a follow-up letter reinforcing the 5000bbl limit in the bill. Our letter highlighted the following reasons:

- Neighboring states allow small manufacturers similar direct access to markets.
  - [NH](#) – In NH if you hold a Beverage Manufacturers License and you produce no more than 15,000 barrels annually, you may self-distribute up to 5,000 barrels annually to New Hampshire retailers without getting any special license. [Title XIII, Sec. 178:12 \(IV\)\(b\)](#)
  - [ME](#) - In Maine, if you hold a small brewery license (producing up to 30,000 barrels per year), you can sell your beer directly to licensed retailers (restaurants & stores) without needing to get a wholesale licensee. [Title 28-A, Sec. 1355-A \(3\)\(B\)\(2\)](#) (no maximum limit).
  - Maintaining a 5,000 bbl threshold ensures that business are not placed at a competitive disadvantage in the region.
- If manufacturers were allowed direct access of up to 5000 barrels to 1<sup>st</sup> and 2<sup>nd</sup> class establishments (bars, restaurants and stores), they would have the opportunity to grow their brand, possibly to the extent that they would be attractive to one of the large distributors.
- Adding self-distribution to an already time-consuming manufacturing business is a lot of work, however, it is the most cost-effective way for small brands to intentionally grow their business.
- While it is true that most small Vermont craft brewers won't reach the 5000 barrel limit, most probably won't even come close, for the few that will, it could be decisive in their ability to grow enough to transition to a traditional distributor.
- While there is no “magic number” for a distributor to pick up a brand, 5,000 bbl is proof that a brand has the sort of production capability that could keep up with wider distribution.
- If there is further consolidation in the distribution marketplace, more Vermont brewers could find themselves without a distributor and would need the direct access that this bill offers. Over

the past two years, three distributors have closed, leaving only three operating in Vermont (Baker, Farrell, and Vermont Wine Merchants). Should further consolidation occur, more brewers could find themselves without distribution options. Setting the limit at 5000 barrels would allow these brewers to get their product to market without having to come back to the legislature for an adjustment to the threshold.

**PLEASE consider reaching out to committee members this week to reinforce your support for the bill.**

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→ **Updates to the Bottle Bill.** Last Friday, **Matt Chapman**, Director of the Waste Management Division at the Department of Environmental Conservation joined the GAC meeting **to explain the responsibilities of manufacturers in an EPR for beverage container program.** As we have previously reported, the House Environment committee is again considering a bill that would make some major changes to the bottle redemption system.

**The bill** proposes numerous changes to Vermont's beverage container redemption system. Most notably, it restructures the redemption system by requiring **beverage container manufacturers** and distributors to participate in a newly formed producer responsibility organization (PRO). The PRO would be responsible for creating and implementing a stewardship plan that would manage the beverage container redemption system going forward. The Agency of Natural Resources (ANR) would oversee the organization and verify stewardship plan adherence.

The committee will be taking more testimony on the bill [next week](#). On Wednesday morning they will hear from Bree Dietly, who manages Vermont's comingling program. Last year she provided the committee with testimony in support of the EPR model for beverage containers. You can read her testimony from last year [here](#). She does a good job of explaining what the current system is and how it would change under an EPR model.

→ **Headlines of Note**

- [In the Vermont Statehouse, Committee Chairs Wield Tremendous Power](#)
- [Vermont Senate Advances Two Signature Immigration Bills](#)
- [As Act 250 overhaul takes shape, some question whether it strikes the right balance](#)

- [Vermont receives \\$93 million in federal funds to expand broadband access](#)
- [As pilot program sunsets in Burlington, lawmakers look to bring ‘accountability court’ elsewhere](#)
- [Vermont health officials confirm a measles case in Washington County](#)
- [Burke Mountain owners buy Smugglers' Notch Resort for undisclosed price](#)

→ **VBA Bill Report.** Please keep in mind that bills introduced in 2025 are still technically alive and can be taken up for consideration. As bills begin to move, the report format will be updated to indicate bills that are moving.

Bill	Sponsors	Description	Status
<a href="#">H 637</a>	Ian Goodnow; Rep. Martin LaLonde	An Act Relating to Operating A Vehicle Under the Influence of Alcohol or Other Substances  This bill proposes to make several changes to the laws concerning operating a vehicle under the influence of alcohol or other substances.	Committees: House Judiciary  Status: Read first time and referred to the Committee on Judiciary (01/09/26)
<a href="#">H 647</a>	Rep. Lucy Boyden	An Act Relating to Vinous Beverage Manufacturers and Fourth-class Licenses  This bill proposes to allow the holder of a fourth-class license to serve customers larger total volumes of alcoholic beverages at a tasting room or retail shop operated by the licensee. This bill also proposes to allow manufacturers of vinous beverages to operate not more than two first-class licensed establishments that are located at the licensed manufacturing facility or on property that is owned by the licensee and contiguous with the parcel of land on which the licensed manufacturing facility...	Committees: House Government Operations and Military Affairs  Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/13/26)  <b>Folded into the Omnibus Alcohol Bill.</b>
<a href="#">H 655</a>	Rep. Lucy Boyden; Rep. Matthew Birong	An Act Relating To Alcoholic Beverages And The Board Of Liquor And Lottery  This bill proposes to amend various provisions of Title 7 to change the term length for members of the Board of Liquor and Lottery from three years to four years, eliminate the specific limitation on the hours of sale for licensees who sell alcoholic beverages for off-premises consumption pursuant to 7 V.S.A. § 230, state that special events permits are subject to approval by the local control commissioners in conformance with the definition of "special event permit" in Title 7, eliminate language...	Committees: House Government Operations and Military Affairs  Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/13/26)  <b>Folded into the Omnibus Alcohol Bill.</b>

<a href="#">H 672</a>	Rep. Lucy Boyden	<p>An Act Relating to Distribution of Malt Beverages by Licensed Manufacturers</p> <p>This bill proposes to authorize licensed malt beverage manufacturers to distribute malt beverages directly to the holders of first- or second-class licenses. This bill also proposes to limit the total amount of malt beverages that a licensed manufacturer may distribute directly to licensees on an annual basis.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/14/26)</p> <p><b>Folded into the Omnibus Alcohol Bill.</b></p>
<a href="#">H 832</a>	Rep. Lucy Boyden	<p>An Act Relating to Fourth-class Licenses and Retail Alcoholic Beverage Tasting Permits</p> <p>This bill proposes to authorize licensed alcoholic beverage manufacturers, at not more than 10 fourth-class license locations, to sell alcoholic beverages produced by other manufacturers. This bill also proposes to amend the application requirements for retail alcoholic beverage tasting permits to allow a licensee to submit the application and fee at least one day before the proposed date of the tasting event.</p>	<p>Committees: House Government Operations and Military Affairs</p> <p>Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/29/26)</p> <p><b>Folded into the Omnibus Alcohol Bill.</b></p>
<a href="#">S 236</a>	Sen. Alison Clarkson; Sen. Richard Westman	<p>An Act Relating To Vinous Beverage Manufacturers and Fourth-class Licenses</p> <p>This bill proposes to allow the holder of a fourth-class license to serve customers larger total volumes of alcoholic beverages at a tasting room or retail shop operated by the licensee. This bill also proposes to allow manufacturers of vinous beverages to operate not more than two first-class licensed establishments that are located at the licensed manufacturing facility or on property that is owned by the licensee and contiguous with the parcel of land on which the licensed manufacturing facility...</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time &amp; referred to Committee on Economic Development, Housing and General Affairs (01/09/26)</p>
<a href="#">S 279</a>	Sen. Keshia Ram Hinsdale; Sen. David Weeks; Sen. Patrick Brennan; Sen. Richard Westman	<p>An Act Relating to Caterer's Licenses and the Distribution of Malt Beverages by Licensed Manufacturers</p> <p>This bill proposes to authorize licensed malt beverage manufacturers to distribute malt beverages directly to the holders of first- or second-class licenses. This bill also proposes to limit the total amount of malt</p>	<p>Committees: Senate Economic Development, Housing and General Affairs</p> <p>Status: Read 1st time &amp; referred to Committee on Economic Development,</p>

		beverages that a licensed manufacturer may distribute directly to licensees on an annual basis. This bill also proposes to amend the definition of caterer's license to repeal the restriction on serving alcoholic beverages at first- or first- and third-class licensed locations.	Housing and General Affairs (01/21/26)
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