



FOR IMMEDIATE RELEASE

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### *Bipartisan Senate Bill 1030, the Arizona Beer Bill, Will Promote Growth and Jobs in Arizona*

**Lake Havasu City, AZ** – Senator Kelli Ward of Legislative District 5 announced that she is sponsoring S.B. 1030, the Arizona Beer Bill, along with a bipartisan group of 21 sponsors and co-sponsors from across Arizona, including her Republican seatmates Representatives Sonny Borrelli and Regina Cobb. Other sponsors of S.B. 1030 are Senators Ed Ableser (D, LD 25), Nancy Barto (R, LD 15), Carlyle Begay (D, LD 7), David Bradley (D, LD 10), Lupe Contreras (D, LD 19), Andrea Dalessandro (D, LD 2), Barbara McGuire (D, LD 8), Lynne Pancrazi (D, LD 4), Representatives Eric Meyer (D, LD 28), Darin Mitchell (R, LD 13), Lisa Otondo (D, LD 4), Warren Petersen (R, LD 12), Victoria Steele (D, LD 9); and co-sponsors are Senator Robert Meza (D, LD 30), and Representatives Ken Clark (D, LD 24), Debbie McCune-Davis (D, LD 30), Jill Norgaard (R, LD 18), Bob Thorpe (R, LD 6), and Jeff Weninger (R, LD 17). The bill was pre-filed on Friday, January 9<sup>th</sup> and is expected to be introduced today on opening day of the first regular session of the 52<sup>nd</sup> Arizona Legislature.

The Arizona Beer Bill, S.B. 1030, supported by the Arizona Craft Brewers Guild and the Beer and Wine Distributors of Arizona (BWDA), will allow Arizona's craft brewing industry to grow within the current three-tier system that regulates the production, distribution, and sale of alcohol in the state. The goal of the legislation is to allow microbreweries to keep their restaurants, pubs, and employees as they grow and not force them to shut down successful establishments. It will ensure that brewers, their businesses, and employees are not penalized for success by artificial bureaucratic limits.

"I am proud to sponsor legislation that will allow the craft brewing industry to grow and continue employing people in my district and across Arizona," stated Senator Ward. "This bill is a common sense solution that will protect the three-tier system while at the same time allow the craft brewing industry to become a point of pride for our state," continued Ward.

Currently, breweries that produce less than 40,000 barrels per year are classified as microbreweries. This allows them to open restaurants, pubs, and have limited self-distribution rights, while larger brewers (also called producers) can brew an unlimited amount of beer, but cannot own and operate off-site restaurants or pubs. However, state law dictates that when a microbrewery produces more than 40,000 barrels per year they are then re-licensed as a producer, but it is unclear what happens to their restaurants, pubs, and employees, putting these successful businesses at risk.

The Arizona Beer Bill, S.B. 1030, is a product of collaboration between the Arizona Craft Brewers Guild and the Beer and Wine Distributors of Arizona. It is a solution that both brewers and distributors support. The solution allows craft breweries to grow beyond the 40,000 barrel limit, but not cause them to forfeit the retail licenses they hold or let go employees. Doing so will promote growth in the industry while strengthening the three-tier regulatory system. To provide further stability, microbreweries under the 40,000 barrel limit will be limited to holding a total of 7 retail licenses, while today they can hold an unlimited number. Craft breweries producing over 40,000 barrels may not add more retail licenses or continue to self-distribute unless to their own adjacent retail licenses. This solution will ensure that as craft brewers graduate from microbreweries into producers they won't be forced to close or sell the restaurants and pubs that are vital to their business and have proven to be instrumental in growing the craft brewing industry and creating jobs across Arizona.

"Our goal is to allow all of our members to meet their potential for success by allowing our industry to grow within the three-tier system without unreasonable bureaucratic limitations and being forced to give up their hard-earned property rights. Craft Brewers have developed a reputation for providing outstanding entertainment options in our community which adds to the great diversity of Arizona," stated Rob Fullmer, executive director of the Arizona Craft Brewers Guild.

Arizona craft brewers and distributors are creating jobs and growing our economy. In Arizona, brewing, distributing, and retail supported 20,430 jobs, \$606,325,300 in wages, and have a total economic contribution of \$1,256,473,300.<sup>1</sup> Craft brewing alone had a \$664 million impact in Arizona alone in 2012 and created 3,486 jobs in Arizona.<sup>2</sup>

"Craft breweries employ thousands of people in Arizona and it is not fair to force the shutdown of businesses because they have been successful. Our bill will support every craft brewer in our state who has a great product to offer," concluded Fullmer.

The only known opposition to the proposed legislation is the Arizona Wine and Spirits Wholesale Association (AWSWA), consisting of three major wine and spirits wholesalers: Alliance Beverage Distributing, Southern Wine and Spirits, and Young's Market. Contrary to earlier reports, the large national brewing companies, including Anheuser Busch InBev, are not opposing the proposal. The AWSWA has cited concerns about how the bill would affect the integrity of the three-tier system, a concern they did not have when they lobbied for changes to the system last year to benefit farm wineries and micro-distilleries. "They didn't seem to have any concern about three-tier sanctity then, when the outcome suited their wine and spirit interests. That double-standard reveals what their opposition is really about – marketplace competition. They simply don't want to see craft beer continue to grow here," Steve Barclay, the Executive Director of BWDA, said.

**Current list of supporters:**

Arizona Craft Brewers Guild  
Beer and Wine Distributors of Arizona  
Arizona Beer and Cider  
Arizona Licensed Beverage Association  
Canyon Distributing  
Crescent Crown Distributing

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<sup>1</sup> [http://www.beerinstitute.org/assets/map-pdfs/Beer\\_Economic\\_Impact\\_AZ.pdf](http://www.beerinstitute.org/assets/map-pdfs/Beer_Economic_Impact_AZ.pdf)

<sup>2</sup> [https://www.brewersassociation.org/attachments/0000/9191/AZ\\_Guild\\_Economic\\_Impact\\_020612\\_FINAL.pdf](https://www.brewersassociation.org/attachments/0000/9191/AZ_Guild_Economic_Impact_020612_FINAL.pdf)

Finley Distributing  
Fred Nackard Wholesale Beverage  
Golden Eagle Distributors  
Hensley Beverage  
Ill Counties Distributing  
Northland Beverage  
Pitchers of Nectar Distributors (POND)  
Romer Beverage  
Romer Beverage - Yuma  
Southern Arizona Distributing  
Arizona Wilderness Brewing  
Barley Bros. Brewery & Grill  
Barrio Brewing  
Beast Brewing  
Beaver Street Brewery  
BJ's Restaurant & Brewhouse  
Black Bridge Brewing  
Black Hole Beer  
Bold Barley Brewing  
Borderlands Brewing  
Cartel Brewery  
College St. Brewhouse & Pub  
Desert Eagle Brewing  
Dragoon Brewing  
Dubina Brewing  
Fate Brewing  
Four Peaks Brewing  
Freak'N Brewing Company  
Gentle Ben's Brewing  
Grand Canyon Brewery  
Gordon Biersch Brewery &  
Restaurant  
Granite Mountain Brewing  
Historic Brewing  
Huss Brewing  
Lonesome Valley Brewing  
Lumberyard Brewing  
Mother Bunch Brewing  
Mother Road Brewing  
Mudshark Brewery  
North Mountain Brewing  
OHSO Eatery & Nanobrewery  
Oak Creek Brewery & Grill  
Oak Creek Brewing  
Old Bisbee Brewing  
Old World Brewery  
Papago Brewing  
Peoria Artisan Brewing

Perch Pub and Brewery  
Pinetop Brewing  
Prescott Brewing  
Prison Hill Brewing  
Pueblo Vida Brewing  
Rock Bottom Restaurant -  
Brewery  
Saddle Mountain Brewing  
SanTan Brewing  
Sentinel Peak Brewing  
Sleepy Dog Brewery  
Sonoran Brewing  
Sunup Brewing  
Ten Fifty-Five Brewing  
THAT Brewery  
The Address Brewing/1702  
The Beer Research Institute  
Thunder Canyon Brewery  
The Phoenix Ale Brewery  
Uncle Bear's Brewhouse Grill  
Wanderlust Brewing

**Opposing:**

Arizona Wine and Spirits Wholesale Association, composed of:  
Young's Market  
Southern Wine and Spirits  
Alliance Beverage Distributing

For a copy of S.B. 1030, as pre-filed for introduction, please go to:

<http://www.azleg.gov/legtext/52leg/1r/bills/sb1030p.pdf>

**About the Beer and Wine Distributors of Arizona:**

The Beer and Wine Distributors of Arizona ("BWDA") is a professional trade association established in 1944 representing 11 independent beer distributors across Arizona. The BWDA member companies are: Canyon Distributing, Crescent Crown Distributing, Finley Distributing, Golden Eagle Distributors, Hensley Beverage Company, Ill Counties Distributing, Nackard Beverage, Northland Beverage, Romer Beverage, Romer Beverage Yuma, and Southern Arizona Distributing. For further information on BWDA, please visit [www.bwdaz.com](http://www.bwdaz.com) or contact Steve Barclay, Executive Director, at [steve@bwdaz.com](mailto:steve@bwdaz.com)

**About the Arizona Craft Brewers Guild:**

The Arizona Craft Brewers Guild was established in 1998 and represents 57 microbreweries across the state. The Guild promotes the craft brewing industry in Arizona by providing educational opportunities to brewers, distributors and consumers. The Guild promotes quality craft beers and the responsible consumption of those products. For further information on the Arizona Craft Brewers Guild, please visit [www.craftbeeraz.com](http://www.craftbeeraz.com) or contact Rob Fullmer, Executive Director at [rob@craftbeeraz.com](mailto:rob@craftbeeraz.com)

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