

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1272

Amendment Number: H1

Bill Subtitle: TO CLARIFY THE LAW REGARDING PRODUCTION CAPACITIES OF MICROBREWERY RESTAURANTS; TO ALLOW TRANSPORTATION OF IN-HOUSE PRODUCTS BETWEEN COMMONLY OWNED MICROBREWERIES AND BREWERIES THAT OWN MICROBREWERIES.

Basic Change :

Sponsor: Representative G. Hodges

House Amendment 1 --- Amends the bill to provide that the annual 45,000 maximum barrel production limit is for all facilities under common ownership with the microbrewery; to allow the transportation of beer, malt beverage, or hard cider produced by one entity between three (3) or more microbrewery-restaurant locations of the entity; and to clarify that transportation of the beer, malt beverage and hard cider between the microbrewery-restaurant to the separate brewing facility for storage, production or packaging is authorized.

Original Bill ---The proposal would amend Arkansas laws regarding microbrewery restaurants to allow increased production capacities and allows one separate brewing facility of the microbrewery restaurant. Maximum authorized production capacity at the microbrewery-restaurant and the offsite brewing facility would increase from 20,000 to 45,000 barrels per year. The bill also allows transportation of products produced by one entity between any two (2) or more microbrewery-restaurant facilities owned by the entity.

Revenue Impact :

None.

Taxpayer Impact :

Microbrewery-restaurants would have higher production limits and have authority for an offsite production facility.

Resources Required :

None.

Time Required :

None.

Procedural Changes :

None.

Other Comments :

None.

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Legal Analysis :

HB1272-H1 addresses previous issues with HB1272 by re-incorporating the "shall" language of page 1, line 32. The amendment also clarifies the language regarding the augmented 45,000-barrel limit is applied across all commonly owned entities under the permit. This amendment addresses all concerns raised by the original text of HB1272.