

AGRICULTURE COMMODITY BOARD

ANNUAL REPORT

for the Virginia Spirits Board

Fiscal Year: 2020-2021

August 6, 2021

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The Virginia Spirits Board

I. Narrative

The Virginia Spirits Board was established in 2020 by enactment of the Virginia General Assembly. It was created to provide resources for promotion of the Virginia spirits industry by a number of means approved by an administrative board appointed by the Governor. The purpose of the Board is to foster the development of the Virginia spirits industry by expanding spirits research, increasing education, and promoting the production of ingredients necessary for alcohol distillation and the production of spirits in the Commonwealth.

The Board is comprised of eleven members as follows: the Commissioner of Agriculture and Consumer Services and the Chief Executive Officer of the Virginia Alcoholic Beverage Control Authority, both of whom shall serve ex officio without voting privileges, or their designees, and nine voting non-legislative citizen members to be appointed by the Governor, three of whom shall be coopers or maltsters and six of whom shall be owners or operators of a distillery in the Commonwealth. Non-legislative citizen members shall be citizens of the Commonwealth who are appointed by the Governor. The Governor shall make his appointments upon consideration of the recommendations made by any cooper or maltster or any owner or operator of a distillery. Each entity or person shall submit two or more recommendations for each available position at least 90 days before the expiration of the member's term for which the recommendation is being provided. If such entities or persons fail to provide the nominations at least 90 days before the expiration date pursuant to this section, the Governor may appoint other nominees that meet the foregoing criteria.

The Board shall meet at least four times each year. The meetings of the Board shall be held at the call of the chairman or whenever the majority of the members so request. The Program Manager manages and conducts the activities required for the Board to carry out its mission and provides the Board with administrative support.

Kara King, Chairman

II. Financial Summary

The Board did not have any financial activity during Fiscal Year 2021. The Board has been tasked with establishing a funding mechanism for the Spirits Promotion Fund. Meetings cited in the following section consisted of discussion and draft formation of a funding proposal. The Board was required to submit a report to the Department of Agriculture & Consumer Services detailing their final proposed funding mechanism.

SB 1312: *Virginia Spirits Promotion Fund; assessment on distillers* was introduced during the 2021 General Assembly. This legislation was unsuccessful and left in the Senate Finance and Appropriations Committee.

During Fiscal Year 2021, the Board will continue their work in creating a funding mechanism for the Spirits Promotion Fund.

III. Board Meeting Summary

Date: November 9, 2020

Time: 1:00PM

Location: WebEx Virtual Meeting*

All Members Present: Jeff Bloem, Joshua Chandler, David Cuttino, Scott Harris, Bill Karlson, Kara King, Gareth Moore, Brian Prewitt, Dr. Jewel Bronaugh, Travis Hill

Date: November 23, 2020

Time: 1:00PM

Location: WebEx Virtual Meeting*

Members Present: Joshua Chandler, David Cuttino, Matthew Harris, Scott Harris, Bill Karlson, Kara King, Gareth Moore, Brian Prewitt, Dr. Jewel Bronaugh, Travis Hill

Members Absent: Jeff Bloem

Date: November 30, 2020

Time: 1:00PM

Location: WebEx Virtual Meeting*

Members Present: Jeff Bloem, David Cuttino, Matthew Harris, Scott Harris, Bill Karlson, Kara King, Gareth Moore, Brian Prewitt, Dr. Jewel Bronaugh, Travis Hill

Members Absent: Joshua Chandler

Date: December 7, 2020

Time: 1:00PM

Location: WebEx Virtual Meeting*

All Members Present: Jeff Bloem, Joshua Chandler, David Cuttino, Matthew Harris, Scott Harris, Bill Karlson, Kara King, Gareth Moore, Brian Prewitt, Dr. Jewel Bronaugh, Travis Hill

**Meetings were held electronically via WebEx during the Governor's declared state of emergency due to the COVID-19 pandemic making it unsafe for the public body to assemble in a single location.*