

ABL WEEKLY

Policy, Industry & Business News for Beverage Retailers

Friday, April 19, 2019

Issue 378

MEETINGS & EVENTS

[May 5 - MBDAPA 83rd Annual Convention & Tradeshow | Pocono Manor, PA](#)

[June 3 - ILBA Annual Golf Outing | Springfield, IL](#)

[June 10-12 - Beverage Alcohol Retailers Conference | Louisville, KY](#)

[June 12 - Connecticut Package Stores Association Annual Golf Tournament](#)

[July 9-10 - ABL Summer Board Meeting | Madison, WI](#)

[July 29-31 - ECRS Ignite 19 Retail Success Conference | Nashville, TN](#)

[September 9-11 - MTA Annual Convention & Tradeshow | Sidney, MT](#)

[September 12 - IABR Fall Golf Outing | Indianapolis, IN](#)

[September 15-17 - ILBA Annual Convention & Tradeshow | LaSalle, IL](#)

[October 10 - IABR Annual Meeting & Board of Directors Meeting | Indianapolis, IN](#)

ABL & PUBLIC POLICY News

[McConnell Seeks to Raise Purchase Age for Tobacco to 21:](#) Sen. Mitch McConnell (R-K.Y.) plans to introduce a bill next month to raise the national minimum age to buy tobacco products, including e-cigarettes and vaping devices, from 18 to 21, the Senate majority leader announced in a press conference Thursday. McConnell's support is the strongest yet in Congress for what's been dubbed "T21," CNBC reports.

[New Study: Consumers' Preference of Cannabis Over Alcohol:](#) New Frontier Data, the global authority in data, analytics and business intelligence for the cannabis industry, releases Cannabis Consumer Series: Alcohol vs. Legal Cannabis Consumption in North America. The first installment of this series examines the intersection of consumer preference for alcohol and cannabis, with particular emphasis on how decreased stigma and greater access to legal cannabis products are shaping the way younger generations spend money.

[National Survey Shows Support for Stronger Drunken Driving, Speed Laws:](#) Safety experts know what works to hold down traffic deaths: wearing seat belts, following the speed limit, avoiding drunken and distracted driving, road features like roundabouts and rumble strips. The challenge has been getting motorists to buy into those items. A survey released last week by the National Safety Council titled "Underutilized Strategies in Traffic Safety" indicates a strong majority of drivers support those steps if they are given backup information to show that they reduce deaths.

[‘I, Too, Share Your Concern’: Treasury Secretary Urges Bipartisan Banking Fix for Cannabis Industry:](#) Federal lawmakers asked for Treasury Secretary Steve Mnuchin's take on cannabis banking solutions during an April 9 House appropriations subcommittee hearing, as Marijuana Moment first reported. The back-and-forth picked up the general sense of momentum following the SAFE Banking Act's passage out of the House Financial Services Committee in late March.

[FDA Working Group to Oversee Cannabis and Derived Products:](#) Building on the growing interest in the development of therapies derived from cannabis and its components, including cannabidiol (CBD), the US Food and Drug Administration (FDA) has announced plans to form a high-level internal agency working group to explore potential pathways for dietary supplements and foods containing CBD to be lawfully marketed.

Products containing cannabis or cannabis derivatives are marketed as human drugs, dietary supplements, conventional foods, animal foods and drugs, and cosmetics, among other things.

INDUSTRY News

Alcohol and Tobacco Tax and Trade Bureau (TTB)

[TTB Newsletter - Weekly News \(April 19\)](#)

[Alcoholic Beverage Labeling Act Civil Penalty Adjusted For Inflation](#)

3x3 Insights

[Retail Untapped - Episode 23: Boxed Wine Sales](#)

Brewbound

[To Stand Out on Shelf, Beer Companies Introduce Augmented Reality Labels](#)

Brewers Association

[Brewers Publications Releases Updated Draught Beer Quality Manual \(4th Edition\)](#)

Center for Alcohol Policy

[National Poll Finds Strong Support for State Residency Laws Amid Pending Supreme Court Case Re: Alcohol Regulation](#)

Foundation for Advancing Alcohol Responsibility

[FAAR Names Ben Nordstrom, MD, PhD, New Executive Director](#)

National Review

[Are Crazy State Liquor Laws Constitutional?](#)

SevenFiftyDaily

[What's Fueling the Rapid Growth of Hard Seltzer?](#)

Shanken News Daily

[Pernod Ricard Acquires Malfy Gin](#)

Republic National Distributing Company

[Ivan Gorsky Named RNDC Vice President of Sales, for Washington, D.C.](#)

VinePair

[Why Is the Wine Industry Ignoring Black Americans' \\$1.2 Trillion Buying Power?](#)

AFFILIATE News

Alaska CHARR

[Anchorage Reassesses Homeless Services After Alcohol Tax Fails](#)

The city is looking for ways to move forward now that Anchorage voters have turned down an alcohol tax that would have helped finance homeless services. Anchorage homeless coordinator Nancy Burke said the city will do the best it can with the money it has, although she predicted some people won't be happy. She said cleaning up camps and trying to refer residents to shelter and housing programs will look a lot like it did last summer.

Montana Tavern Association

[Montana First to Send Sports Betting Bills to Governor](#)

It's official. Montana is first to the finish line in 2019 to send legal sports betting bills to the governor for signature. On Thursday, the Senate approved both SB 330 — HB 725 was passed Wednesday — and both will

go to Governor Steve Bullock, who is expected to sign at least one of them. "I think it's a bold move for the state," Senate president and bill sponsor Mark Blasdel (R-District 4) told Sports Handle.

Retail Liquor Association of Oklahoma

[Oklahoma: Liquor Stores Staying Afloat, but Not Thriving Under New Laws](#)

While brewers and grocers reap the benefits of new liquor laws, hundreds of small businesses across the state are experiencing a sobering reality. Kathy Hallren has run Joe's Wine & Spirits since 2011. Before that, her father, former OU football player Joe Lies, ran it for decades after purchasing it in 1979. She's had the same general manager for 30 years and the business has been in the family for 40 years come October.

STATE & LOCAL News

[Alabama: Bill Would Allow Direct Wine Shipments to Homes:](#) If a new bill passes, Alabama would join 45 other states in allowing direct wine shipments to your home. House Bill 350 is scheduled for a public hearing Wednesday in the House Commerce and Small Business Committee. If approved, you'll be able to order limited quantities of wine and have it delivered right to your door step. Charles Brammer's family runs Alabama's largest winery, Morgan Creek Vineyard in Harpersville.

[Florida: State Considers Higher Smoking Age:](#) With the support of Altria Group, Florida is the latest state to consider raising the minimum tobacco buying age to 21, the Orlando Sentinel reports. Several bills also would increase the age for medical marijuana patients needing parental consent to 21. The proposals would carve out an exception for active-duty military personnel, as well as prohibit localities from enacting different minimum tobacco use ages. In addition, the measures also would prevent any local ordinances that regulate tobacco marketing or sales.

[Illinois: Will State Legalize Recreational Marijuana? Lawmakers Argue as Deadline Looms:](#) The effort to legalize recreational marijuana use in Illinois has slowed down considerably as both Republican and Democrat lawmakers believe they may not have legislation drafted by a May 31st deadline. "It's more than just saying it's a legal boom. There's a lot to it," said State Rep. Maurice West (D-Rockford). Lawmakers in Springfield are still trying to figure out what to do about legalizing the drug.

[Illinois: 'Still Pubs' Could Be Coming Soon As Legislation to License Craft Distillers Passes State House:](#) Legislation approved Thursday by the Illinois House would license craft distillers similar to the way craft brewers are regulated, with the aim of giving a boost to the burgeoning community of artisan spirits makers in the state. The bill, which still faces a vote in the Senate, would create a license that allows small distillers to self-distribute some product, removing a major hurdle for unknown brands trying get on store shelves, and another license that allows distillers to open up to three satellite locations where they can serve their house-made spirits as well as other alcohol in a pub environment.

[Illinois: Senate Approves Statewide Rule for Alcohol Delivery:](#) Folks across Illinois could be close to being able to get a six-pack delivered to their door. Right now, a lot of grocery services will deliver some beer or wine with your order. But some communities in Illinois still have local laws against liquor delivery. State Sen. Don Harmon has a plan to set a single set of rules for alcohol delivery in Illinois.

[Iowa: Lawmakers Respond to Evolution of Canned Cocktails:](#) Another adult beverage may be available for this summer's backyard barbecue: a canned cocktail. Iowa legislators have voted to raise the allowed alcohol content up to 15% for mixed drinks sold in a metal can. Representative Mike Sexton of Rockwell City says the bill will allow canned cocktails to be sold and served in places where beer is now sold. "We are allowing another product into the state of Iowa," Sexton said.

[Maryland: Alcohol Laws Set to Take Effect in July Brings Mixed Drinks, More Beer:](#) Small craft distilleries and breweries will be able to sell more of their product directly to consumers later this year. The Maryland General Assembly passed a pair of laws that will allow licensed distilleries to sell mixed drinks and certain beer manufactures to brew and sell more of their own beer. Both laws will take effect on July 1. "We've

been lobbying for this law to change for the past three years,” said Monica Pearce, owner and founder of Tenth Ward Distilling Co. in downtown Frederick.

Montana: Anti-DUI Legislation Dies in Montana Senate; State Leads Nation in DUI Deaths: The anti-DUI measure that sparked a political furor Saturday, when it was revived by cramming it into another bill, is now dead, after the bill’s sponsor decided to pull the measure from the Senate floor. “I think a lot of legislators thought that the process was being circumvented, and I didn’t care to have it keep going,” Sen. Keith Regier, R-Kalispell, told MTN News on Tuesday. Still, Regier said he’s disappointed the bill died, because he felt it would have gone a long way to help combat drunken driving in Montana.

New York: Bill Proposes Lowering Minimum Blood Alcohol Content Level: A bill to lower the legal blood alcohol content limit to drive is making its way through the New York State Assembly. The proposed bill would change the legal level from .08 to .05. The National Transportation Safety Board has been encouraging states to do this for years, saying alcohol impairment is a leading cause of highway car crashes.

New York: Proposal to Lower DUI Alcohol Limit in New York Met with Support: Criticism in New York State, the legal limit is .08. Anything above that blood alcohol content, and the driver can be arrested and charged with drunk driving. But a bill in the New York State Assembly could lower the legal limit to .05. Anything above a .12 would be considered aggravated DWI. Right now, that limit is .18. Sarah Palermo supports the bill. “I’m all for it and will help it along,” she said.

Oklahoma: Duopoly or Pro-Business? Shots Taken in Liquor Distribution Fight: The difference between “shall” and “may” in one portion of Oklahoma’s new alcohol laws has left liquor stores, a locally owned wholesaler and some legislators pushing to break up what they call a duopoly in the liquor distribution market. Thanks to a few lines of amendment within voter-approved SQ 792, the nation’s top brands of liquor now distribute their products in Oklahoma exclusively through either Central Liquor Company or Jarboe Sales Co.

Pennsylvania: Liquor Control Hearing to Address Pennsylvania’s Taproom Tax: A public hearing examining a new beer tax in Pennsylvania is set for Tuesday at the Spoonwood Brewing Company in Pittsburgh. The hearing, hosted by state Rep. Natalie Mihalek, R-Upper St. Clair, will look into the state Department of Revenue’s recent tax bulletin, which requires breweries to collect the state’s 6 percent sales tax on every portion of beer sold. The tax is set to go into effect on July 1.

Pennsylvania: New Bill Would Make It Easier to Buy Liquor: Legislation was introduced into the Pennsylvania legislature recently that would make it easier for residents to purchase liquor. Senate Bill 548, introduced by State Sen. Gene Yaw (R-23), would make it legal for non-state stores like liquor stores and beer detailers to obtain licenses to sell spirits. The Distilled Spirits Council, a national trade association backing the liquor market, touted the potential economic boon of the move.

Pennsylvania: House Passes Bill Allowing 6-Pack Sales at Clubs: Private clubs would be allowed to sell six-packs to go under legislation approved Monday by the state House of Representatives. House Bill 763 would allow club members to purchase six-packs for drinking off-site. Rep. Tim O’Neal (R-Washington) said his legislation would level the playing field for private clubs that sell six-packs. “Our private clubs play an important role in our communities,” O’Neal said.

South Carolina: Overserving Alcohol, Fake IDs Remain Problems in Five Points: While the amount of crime has gone down in the Five Points area, Columbia Police said the number of bars over-serving alcohol to students remains a problem. Data released by the department shows 27 people committed a violent crime in 2017 in the bar district. That number went down to 20 in 2018. The number of car break-ins has also gone down. In 2017, 73 people were cited for breaking into cars. That number dropped to 43 last year.

Tennessee: State’s Medical Marijuana Bill, Dead Until 2020, Would’ve OK’d Vapes and Edibles, But Not Joints: Lawmakers last week abandoned a plan to introduce a sweeping proposal to legalize and regulate medical marijuana throughout Tennessee. Sen. Steve Dickerson, R-Nashville, one of the state’s strongest voices for medical marijuana, said Wednesday that the proposal did not have enough support to pass, so advocates were delaying bills on the topic until next year.

Texas: Decision Postponed on Proposed Wine Warehouse: Confusion over the interpretation of state law led Dripping Springs city leaders to postpone a decision on a proposed wine distribution warehouse to be located on Sportsplex Drive. The warehouse's potential tenant, Truly Texas Grown Wine Cellars, would not sell alcohol on premise or include on-sight consumption. The business model is centered around online wine sales and distribution as well as wine education.

Texas: Powdered Alcohol? Why Some Want to Ban it Before it Hits Store Shelves: Jacinto Ramos Jr. is worried. He fears that if Texas students get their hands-on powdered alcohol they could die. "This is a public health disaster waiting to happen because it could push blood alcohol content quickly to dangerous levels, which can lead to car crashes if behind the wheel of a car; alcohol poisoning; and even death," Ramos, a Fort Worth school board trustee, recently wrote in a column about the topic.

Wyoming: New Liquor Codes May Mandate Server Training: The town's new alcohol policies are beginning to take form, with more stringent server training requirements and punishments aimed at curbing underage drinking. The Town Council took no vote on the updated liquor codes at its meeting Monday, but elected officials made their thoughts clear. Though the new laws are sure to prescribe revised penalties for selling alcohol to minors, the council seems more interested in preventative measures, partly via mandated training for alcohol servers.

BUSINESS & LIFESTYLE News

A Small Town Bet on Sports Gambling. It's Still Waiting: As he drove through town in his black Crown Victoria, Chuck Cariker, the mayor of Tunica, pointed out the gifts that he said gambling had bestowed upon his town. The town hall. The recreation center. The post office. The police station. The roads. Even the car. When Mr. Cariker says "gambling put us on the map," it is only modest overstatement. But in recent years, the Tunica area's aging casinos have struggled to fend off competition from local rivals and failed to attract young people.

The Liquor Industry Is Incredibly Male Dominated. She's Helping to Change That: When Tiffany Hall conducts tastings for her Empower Cocktails Cosmopolitans she's often asked the same question. "At first, people at these tastings ask me who I work for or work with," said Hall. "When I tell them I'm the founder, they're excited to meet the person who started a company of their own." The alcohol industry has historically been dominated by men, she explained. "It's across-the-board from employees to executives and salespersons.

A Prime Opportunity – Amazon's Future Alcohol Lobbyist Could Change the Beer Industry in Big Ways: With hope to increase its influence across a range of sectors in Washington D.C., Amazon has spent heavily on its lobbying efforts in recent years, doling out about \$44 million from 2015-2018. But this week it was revealed the company is now turning its attention to alcohol, adding to its fast-growing stable of lobbyists which has doubled to almost 30 since the 2016 election.

Cannabis Beer Is Not a Thing: Cannabis beer is not a thing. Marijuana beer is not a thing. I don't care what it's called, there's no such thing as beer that will get you high and buzzed. "You cannot put marijuana in alcohol," emphatically states Alva Mather, aka the @alcohollawyer on Twitter. Mather is a Philadelphia-based attorney who specializes in the highly regulated alcoholic beverage industry.

What's Behind the Elective-Sobriety Trend: On a warmer-than-average Thursday evening in February, 40 women gathered in Philadelphia's industrial-chic Front Street Cafe for happy hour? but instead of ordering rosé or craft beer, they sipped artisanal mocktails and locally brewed kombucha. Billed as an event for "sober, sober-sometimes, or sober-curious women," the first 15 minutes or so were stilted.

The Recording Academy's 'Man In Washington' Talks Grammys On The Hill & What's Next In D.C.: In 2001, the Recording Academy organized the inaugural Grammys on the Hill Awards in Washington, D.C., a modest event for about 70 policymakers and music creators. On April 9, this year's dinner -- held the night

before the Grammys on the Hill lobbying day, which brings songwriters and performers to congressional offices -- was expected to draw about 300 guests, including members of Congress from both parties.

We Asked 16 Beer Pros: What's the Most Unforgettable Beer You Ever Had? Some beers are simply unforgettable. They might not necessarily be the best, rarest, or most profound you've ever tasted, but they stay with you. They capture a moment, reminding you of special times or people in your life. We asked 16 beer professionals, from brewers to label artists to Instagrammers, to share their most memorable beers from the past.

U.S. Wine Sales Rise 9 Percent in March Despite Headwinds Cannabis is not the threat to the wine industry it could be, according to industry metrics tracked by Wines Vines Analytics that show sales continue to grow across all channels. U.S. wine sales increased 9% in March versus a year earlier to \$4.3 billion, according to market research firm bw166. While the increase was strong relative to recent months, sales in the latest 12 months posted steady growth of 4% to total nearly \$47 billion.

Why You Shouldn't Mix Alcohol and Cannabis Beer before liquor, never been sicker"-by now (and probably from personal experience) we all know this rule to be true. But when it comes to alcohol and weed, where's our helpful rhyme? As Vice writes, every person copes with alcohol and cannabis differently, so while you may be fine mixing both substances, your friend may be tripping balls in the very same room. While the subject of cannabis and alcohol's combined effect is largely under-researched, there are a few things worth knowing before diving under the influence.

How to Succeed in Wine and Weed There has been much hand-wringing in the wine industry recently about potential downward trends in wine consumption in coming years. Chief among the social currents bringing about this decrease is the availability of legalized recreational marijuana, which is now allowed in 10 states and the District of Columbia. Ten additional states are expected to make recreational marijuana legal this year.

Constellation Brands Betting Big on Marijuana Legalization One of the area's largest employers is making moves in the marijuana business. Late last year, Constellation Brands invested billions in a Canadian-based marijuana company and now it wants to make sure it gets first dibs to take a bigger stake in it as that company grows. Last fall, News10NBC Investigative Reporter Jennifer Lewke traveled to Canopy Growth in Ontario, Canada, to tour the facility.