

ABL WEEKLY

POLICY, INDUSTRY AND BUSINESS NEWS FOR BEVERAGE RETAILERS

Friday, June 14, 2019

Issue 386

MEETINGS & EVENTS

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

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

[August 9-11 | TWSRA 2019 Annual Meeting | Gatlinburg, 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 9 - NYSLA 10th Annual Albany Holiday Trade Show | Albany, NY](#)

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

[October 14-17 - TLW 84th Annual Fall Convention | Green Bay, WI](#)

[October 15 - NYSLA 10th Annual Buffalo Holiday Trade Show | Buffalo, NY](#)

[October 21-23 - ABL Fall Board Meeting & Industry Meetings | Washington, DC](#)

ABL & PUBLIC POLICY NEWS:

[**Beer, Wine Coalition Presses Congress to Act on Permanent Federal Excise Tax Relief:**](#)

One provision in the 2017 tax overhaul slashed federal excise taxes for the craft beer, wine and distilling sectors. But that tax relief will sunset at the end of this year unless Congress extends it. There's a push underway by a coalition of industry groups to get a bill passed that makes the excise tax cuts permanent

[**Bootleg Liquor Eyed As Cause of Dominican Republic Tourist Deaths:**](#)

Cops are investigating whether at least seven tourists who mysteriously died in the Dominican Republic were poisoned by counterfeit booze, The Post has learned. Officials want to know who supplied the alcoholic beverages the victims drank in the minutes and hours before their deaths over the past year — and if the drinks had any dangerous chemicals in them, law enforcement sources said.

[**President Trump Says He Will Act to Rectify French Wine Tariffs:**](#)

President Donald Trump promised to do "something" about French wine that he said is allowed into the U.S. virtually tariff-free while France imposes duties on U.S. wine, calling the arrangement

[**Congressional Report Urges Feds to Update Marijuana Employment Policies:**](#)

A congressional committee is urging the federal government to reconsider its hiring and firing policies as they relate to workers who use marijuana in compliance with state laws. The House Appropriations Committee made the recommendation in a report attached to a large-scale spending bill funding parts of the federal government for Fiscal Year 2020 that was released on Monday.

[**Molson Coors Calls Upon U.S. Regulators to Investigate Midwest Premium:**](#)

One of the world's top beer brewers is appealing to the United States government to investigate the method for establishing benchmark prices for aluminum in the Midwest, noting that premiums determined by S&P Global Platts have doubled since 2017.

[**The Misplaced Optimism in Legal Pot:**](#)

Nearly five years ago, a team of researchers performing a study on medical cannabis came to a startling conclusion: The 13 states that had legalized medical marijuana had a 25 percent lower rate of opioid mortality than those that hadn't. The study wasn't designed to find an explanation for the trend, but the authors

unfair. "France charges us a lot for the wine. And yet we charge them very little for French wine," Trump complained in an interview with CNBC anchors on Monday after visiting Normandy last week.

Government Affairs: Congressional Majority Now Supports Tax Reform for Brewers and Importers: Alcohol producers' efforts to make excise tax relief permanent reached another milestone today, as a majority of Congress now supports the Craft Beverage Modernization and Tax Reform Act (CBMTRA). In a joint announcement, seven alcohol industry trade groups said a bill to permanently enact tax cuts for alcohol producers and importers now has 218 co-sponsors in the U.S. House of Representatives.

Federal Legalization of Marijuana May Be Around the Corner: According to former U.S. Rep. Dana Rohrabacher, federal marijuana legalization will be here by the year 2022. The Republican from California stopped by "TMZ Live" on Wednesday to explain why. According to Rohrabacher, his former cohorts on Capitol Hill are already working on legislation that will allow all Americans to partake in marijuana use.

speculated that, perhaps, some chronic-pain patients who otherwise would have gotten hooked on prescription painkillers were instead choosing medical cannabis.

Wine Retailers Cross Fingers Over Soon-to-Come Supreme Court Ruling: Soon – very soon – the Supreme Court is expected to hand down a decision regarding an appeal of Byrd v. Tennessee Wine and Spirits Retailers Association et al heard by the Court in January 2019. The case's challenge to a Tennessee wine regulation is unrelated to retailer wine shipping across state lines.

A Ten-Year Plan to Reduce Global Alcohol Consumption Is Showing Results: There's a global move to get people to drink less alcohol. WHO is behind the move, and that is not a question, who being the World Health Organization. As of just a few years ago, a WHO chart listed France's overall alcohol consumption at number 18 out of 191 countries, behind most of Eastern European and Scandinavian countries.

INDUSTRY NEWS:

Alcohol and Tobacco Tax and Trade Bureau (TTB): [TTB Newsletter – Weekly News \(June 14\)](#)

3x3 Insights: [Retail Untapped - Episode 30: How the Supreme Court Could Change Alcohol Sales](#)

Alcohol Law Advisor: [Learnings from the FDA Hearing on Cannabis and Cannabis-Derived Compounds](#)

Alcohol Law Advisor: [If the DEA Doesn't Quickly Reexamine Marijuana's Classification Under the Controlled Substance Act, the 2nd Circuit Might](#)

Booze Rules Blog: [TTB Protocols, Procedures and Investigations](#)

Brewbound: [Dissecting Data: Mexican Imports, Hard Seltzer Driving Overall Beer Category Growth](#)

Law360: [6th Circ. Says Liquor Store Not Liable for Card Breach Costs](#)

MIC Coalition: [Coalition Grows, Adding Two Major Associations Representing Nearly 9,000 Venues Across the World](#)

Nation's Restaurant News: [May Restaurant Sales Continue Roller Coaster Ride](#)

Nielsen: [How Newer Ready-to-Drink Beverages and Packages Are Shaking Up the Adult Beverage Market](#)

SevenFiftyDaily: [How Micro-Sized Importers and Distributors Are Making It](#)

Shanken News Daily: [RNDC and Young's Join Forces, Creating an \\$11 Billion Powerhouse with 33-Market Footprint](#)

Sky Ranch Foundation: [Foundation Awards Grants to West Hawaiian Mediation Center and Path North Dakota](#)

Brewbound: [Tariffs, Taxes and Marijuana Top Discussions at Beer Institute Annual Meeting](#)

Law360: [Here We Go Again: DOJ's Latest Music Licensing Review](#)

Wine-Searcher: [The Inexorable Rise of Wine Prices](#)

INDUSTRY SPOTLIGHT:



DRAUGHT BEER QUALITY MANUAL

Perfect for professional and home draught systems

Put Your Best Beer Forward

Fourth edition now available

BREWERS PUBLICATIONS.

The [Draught Beer Quality Manual](#) is an indispensable resource for brewers, wholesalers, retailers, and draught system installers. Prepared by the Brewers Association Technical Committee, this fourth edition includes updated best practices, detailed information about line cleaning, draught system components and design, gas dispense and balance, proper pouring, sanitation and growlers is organized with your needs in mind. The goal is simple – to improve draught beer quality and ensure that beer makes it into the consumer’s glass as the brewer intends.

AFFILIATE NEWS:

Illinois Licensed Beverage Association

[For Those with Liquor Licenses, Everything's in the Cards](#)

With businesses facing strict penalties for serving minors, local bars appear to be in agreement with each other when it comes to checking the IDs of people trying to buy alcohol, no matter their age. When the Savoy 16 IMAX asked the village of Savoy for a liquor license in May, Heath Thomas, regional manager for Goodrich Quality Theaters, assured trustees that everyone would be carded.

Retail Liquor Association of Oklahoma

[Sides Weigh-In on Alcohol Oklahoma Legislation](#)

A battle line is forming in the alcohol industry as businesses throughout Oklahoma are choosing sides regarding the implementation of a new law. Businesses with stakes in Oklahoma’s alcohol industry continue to file applications for amicus curiae briefs this week on an Oklahoma State Supreme Court case.

Tavern League of Wisconsin

It Could Be the Brawl in the Barn

We may start calling it the Brawl in the Barn. That's what's starting to shape up as Wisconsin lawmakers start wrapping up their work on the state's new budget this week. The Wisconsin Institute for Law and Liberty first raised the red flag, warning that lawmakers may try to sneak in new regulations for wedding barns in the state. The Tavern League of Wisconsin is trying to get lawmakers to treat barns just like they would any other venue that hosts weddings.

STATE & LOCAL NEWS:

Florida: Ruling Expands Wine Shipping

Options for Consumers: The National Association of Wine Retailers (NAWR) yesterday alerted its members across the country that they may begin legally shipping wine directly to consumers in the state of Florida using common carriers such as FedEx and UPS.

Maryland: Baltimore Liquor Stores Challenge New Zoning Law Designed to Shut Them

Down: Arguing that the city of Baltimore violated the Constitution by trying to force them out of business, the owners of 30 liquor stores have appealed new zoning rules. Their lawyer said Tuesday that the challenges will allow the stores to remain open, at least for now.

Massachusetts: Communities Seek Ways to Nip Liquor-Bottle Litter in the Bud:

Miniature liquor bottles known as "nips" remain a big headache in some communities. Last year, Chelsea became the first community in the state to prohibit the sale of the single-serving bottles, and although the ban is being appealed by the liquor industry, other communities are also considering bans.

New Jersey: Atlantic City Could Soon Allow Open Containers of Alcohol on Boardwalk:

Atlantic City could soon feel more like Las Vegas or New Orleans, with the news that alcohol may be on the way in New Jersey. The New Jersey Law and Public Safety committee passed a bill Thursday that would allow for open containers of alcohol on the boardwalk.

Ohio: Alcohol-Infused Ice Cream Could Be Home Delivered if Bill Passes:

What would be better than alcohol-infused ice cream? How about the boozy treats delivered to your doorstep? One Ohio lawmaker is pushing a bill to allow for online ordering and direct shipping of alcohol-infused ice cream to customers as

Rhode Island: Newport Business Owners Concerned Over Proposed Liquor Sales Fee:

Newport City Commission voted unanimously June 11 on the first reading that would allow the city to impose a regulatory license fee on alcohol. A second reading will be required before it becomes law. Several bar and restaurant owners, however, raised concerns over the fee.

Tennessee: Moonshine Maker Concocts High-Proof Liquor, Battles Consumer

Demand: Moonshining is the process of making illegal alcohol. During Prohibition distillers concocted the high-proof spirit in secret to escape the ban and taxes. However now it's legal and has become a big business for one Tennessee distillery whose roots can be traced back to the Smoky Mountains' earliest settlers.

Texas: State Raises Smoking Age to 21:

Texas will become the 15th state on September 1 to raise the minimum age to purchase all tobacco products, including e-cigarettes, from 18 to 21, according to UPI. The governor signed the legislation late last week. Anyone violating the new law will face a Class C misdemeanor and a fine of up to \$500.

Texas: TABC Changing Procedures After Agent Accused of Perjury in Brazos County:

The Texas Alcoholic Beverage Commission is changing how they do underage drinking investigations after one of their agents, Jonathan Jergins, was accused of perjury. A Brazos County grand jury just declined to indict Jergins this week.

Utah: There May Be a Gap Between 3.2 Beer Disappearing and Heavier Brews Moving In:

There may be a slight gap between 3.2 beer being removed from grocery and convenience store shelves and heavier brews being moved in. Speaking on the "Utah Booze News" podcast, Utah Dept. of Alcoholic Beverage

well as permit for delivery via a service such as UberEats or DoorDash.

Oklahoma: Panel Adopts Emergency Rules for Controversial Liquor Bill: The Alcoholic Beverage Law Enforcement Commission on Wednesday approved emergency rules to implement a controversial new law governing the distribution of liquor. The fate of Senate Bill 608 is in the hands of the Oklahoma Supreme Court following a legal challenge.

Oklahoma: Sides Weigh-In on Alcohol Oklahoma Legislation: A battle line is forming in the alcohol industry as businesses throughout Oklahoma are choosing sides regarding the implementation of a new law. Businesses with stakes in Oklahoma's alcohol industry continue to file applications for amicus curiae briefs this week on an Oklahoma State Supreme Court case.

Oregon: State Preparing for Possible Interstate Pot Commerce: With an eye toward making Oregon as big in pot as it is in craft brews and pinot noir, the state House passed a bill Tuesday that would empower the governor to enter agreements with other states for the transfer of marijuana.

Control Executive Director Sal Petilos said the bill lawmakers passed doesn't allow stores to stock up on heavier brews.

Virginia: Law Prohibiting the Sale of Nicotine Products to Persons Under 21 Effective July 1: During the 2019 Virginia General Assembly Session, lawmakers voted to increase the minimum age to purchase tobacco, nicotine vapor and alternative nicotine products from 18 to 21 years old. Beginning July 1, Virginia retailers will be prohibited from selling nicotine products to individuals under 21.

Washington: State Wants Broader Overtime Pay: Washington wants to join other states that are working to increase the number of salaried restaurant managers and other workers who qualify for overtime pay, according to Restaurant Business. The Washington State Department of Labor & Industries (L&I) proposed on June 5 that any salaried worker earning less than \$49,000 annually be entitled to overtime for hours exceeding 40 per week.

BUSINESS & LIFESTYLE NEWS:

How High Are Beer Taxes in Your State: Summertime is the season of the suds, when Americans typically increase their intake of beer as they spend more time outdoors at the BBQ grill, cheering in baseball stadiums, sitting poolside or at the beach with a cooler nearby, or simply lounging in the sun of later daylight hours, often with a brewski in hand.

The Inside Story of a NEX Liquor Scam: A Long Island man pleaded guilty Friday to paying nearly \$100,000 in bribes to a Navy Exchange employee in order to get the hook up on tax-free booze. Edwin D. Fragoso, 45, copped to a conspiracy charge in U.S. District Court, Eastern District of New York for his role in the scheme, which lasted for more than a year, according to a U.S. Justice Department release.

You Owe It to Yourself to Try Whiskey from These Small U.S. Distilleries: It's a great time for whiskey lovers. New distilleries are

Adult Beverages: Beer Makes Inroads into Wine's World, with Mixed Results: I've been invited to a lot of wine-pairing dinners in my time. Often sponsored by a winery or a group representing a particular wine region, the multi-course meals are a chance to present their line-up in a new way by showcasing each wine's food-pairing strengths.

Hot New Hop Varieties of 2019: Inside every exceptional beer are terrific hops, the green flowering cones that furnish bitterness as well as distinctive flavors and fragrances. And as with beer styles, hops also fall in and out of fashion. Ten years ago, brewers were keen on pungent, piney cultivars such as Chinook and Simcoe.

The Science of Ice in Cocktails: The greatest misconception about ice in cocktails, says Francis Schott, the cofounder of Stage Left restaurant in New Brunswick, New Jersey, "is

popping up all over the country. Local, sustainable, and small-time operators are making some excellent booze, from sea to shining sea. A great bottle of whiskey no longer has to come from a massive conglomerate half-a-country away.

Brewers Share Their Favorite Gose-Style Beers for a Salty, Sour Summer: There's a refreshing beer style from Germany that's boldly sour, slightly salty, and mildly spicy with a herbal lean. It's called Gose (pronounced Goes-Uh with a long "o" in the middle). If you haven't tried the wheat-forward beer, it's time to get wise — especially with a hot summer on the way.

Joint Effort? Breweries Add Cannabis to Their Beer to Fight Rise in Popularity of Legal Marijuana: Beer has been a staple of American culture for as long as baseball and apple pie. But it seems America's tastes for a good old-fashioned cold one is shifting to other alternatives, like cannabis, as tastes and lifestyles change — and beer makers are taking notice.

Underage Drinking: A Rite or Wrong?: As summer begins, so does an increase time of danger for teens on the roads. The period between Memorial Day and Labor Day is known as the "100 Deadliest Days." According to Triple AAA Northeast, in 2016, 14 percent more people were killed in vehicle accidents involving a teen driver during this period than the rest of the year.

Hop Take: Why Aren't America's Top 50 Craft Breweries Growing? It's Complicated: According to data published in the New Brewer, a Brewers Association publication, a majority of the top 50 brewing companies did not grow in 2018. This is the third year in a row at least half of the top 50 did not see growth, Brewbound reports.

that it cools drinks just by being cold. It doesn't—it cools drinks by melting."

Kroger to Sell CBD Products in Nearly 1,000 Stores: Kroger, the nation's largest grocery retailer, will sell CBD in nearly 1,000 stores — but it won't sell any CBD-infused groceries just yet. Kroger will sell hemp-derived CBD topical products, including creams, balms and oils, in 945 stores across 17 states, a company spokeswoman said in a statement to CNBC on Tuesday.

Cheaper Supersized 'Alcopops' a Serious Risk for Underage Drinkers: Experts have warned that alcopops are posing a new threat to underage drinkers. These alcopops are ready-to-drink flavoured alcoholic drinks that contain more alcohol than usual, they warn.

Monster Energy Is Expanding with Alcohol and Cannabis Drinks: Energy drinks are kinda scary, what with the insane amounts of sugar, caffeine, and, um, side effects. So forgive me if I'm a little skeptical about Monster Beverage's latest endeavor.

Hourly Workers Optimistic About Job Prospects: Especially in today's tight labor market and the demand for hourly employees at all-time highs, it's never been more important for employers to understand the needs and concerns of hourly workers.

CBD's Status on Restaurant Menus Remains Unclear: Restaurateurs seeking to make sense of the complex regulations around the use of cannabis- and hemp-derived products such as cannabidiol (CBD) might want to take a double dose of the stuff to reduce their own anxiety.