

ABL WEEKLY

POLICY, INDUSTRY AND BUSINESS NEWS FOR BEVERAGE RETAILERS

Friday, September 6, 2019

Issue 397

MEETINGS & EVENTS

[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:

[How Tax Policy Gave Us White Claw:](#) What people like about a vodka soda is what it doesn't contain. All it has is alcohol, water, and carbonation - no extra flavorings, no caffeine, and no calorie content other than from alcohol. It's the chicken breast of mixed drinks: broadly acceptable, gets the job done, nothing fancy.

[Extended Rotating Warnings on Beverage Alcohol Labels? Perhaps:](#) The Alcoholic Beverage Labeling Act of 1988 requires that TTB consult with the Surgeon General (SG) on the warning label when "available scientific information would justify a change in, addition to, or deletion of the statement."

[Despite its 0.05 DUI Law, Utah Isn't the Toughest State on Drunken Drivers, Study Shows:](#) Turns out — even with the nation's strictest drunken driving standard — Utah isn't the worst state in which to get busted for a DUI. That title belongs to Minnesota, according to a new study released this week by the Utah law firm of Siegfried & Jensen.

[As Litigation Continues, GMR Extends RMLC's Interim License:](#) Since November 2016, a group representing the interests of some 10,000 commercial radio stations on music licensing matters has been tangling with Global Music Rights (GMR), a fairly new

[Surgeon General to Teens and Pregnant Women: Weed Is Way Too Risky for Developing Brains:](#) Federal health officials are issuing a national warning against marijuana use by adolescents and pregnant women, as more states legalize some forms of the drug's use. Surgeon General Jerome Adams issued an advisory Thursday warning against marijuana use by teens, pregnant women and those who are breastfeeding because of its effects on the "developing brain."

[Rep. Sensenbrenner, Who Has Served for 40 Years, Won't Seek Reelection:](#) Rep. F. James Sensenbrenner Jr., who has served in Congress for 40 years and is the second-most senior House member, announced Wednesday that he won't seek reelection, joining more than a dozen Republicans heading for the exits.

[Rep. Shimkus Won't Seek Reelection, Joins Growing List of Republicans Heading for the Exit:](#) Rep. John Shimkus on Friday joined the growing list of Republicans leaving Congress, announcing that he would not seek reelection in 2020. The lawmaker from Illinois, who is in his 12th term, said on a local radio program that he would retire at the end of the 116th Congress.

but powerful artists and publishers' rights organization founded by industry titan Irving Azoff.

Unexpected Tax Bills for Simple Trusts After Tax Reform: An overlooked impact of the 2017 tax reform act has resulted in many simple trusts' having a tax liability on ordinary income, which was rarely the case prior to the act.

Congress Set for Chaotic Fall Sprint: Lawmakers are preparing to return to a chaotic fall in Washington, paving the way for an end-of-year legislative sprint. In addition to hot-button issues like background checks, Congress has several must-pass bills on its agenda, including spending legislation to prevent a government shutdown on Oct. 1..

Rep. Sean Duffy Stepping Down in September: Wisconsin Republican Congressman Sean Duffy is set to resign this fall. He made the announcement on Facebook Monday morning, saying he will be resigning in September. As he and his wife prepare for their ninth child due in October, they learned that she will be needing more love, time and attention due to some complications, one of those complications being a heart condition.

Broadcast and Music Licenses for Businesses: Many businesses create ambiance in their establishments with music or broadcast programming. Any establishment providing this kind of entertainment must comply with legal requirements to avoid copyright infringement liability.

INDUSTRY NEWS:

American Beverage Licensees: [Save the Date: ABL Annual Meeting Returns to New Orleans 3/29-30/2020](#)

Alcohol & Tobacco Tax & Trade Bureau (TTB): [TTB Newsletter – Weekly News \(September 6\)](#)

Alcohol Law Advisor: [Court Dismisses Challenge to TTB's Rejection of Health Claims on Vodka](#)

Alcohol Law Review: [8th Circuit to Hear Challenges to Tied House Law & Ad Regs](#)

Beer Business Daily: [Retailers, Wholesalers Pushing Back on Natty Light Seltzer Pricing](#)

Brewers Association: [Are You Overpaying Your Federal Excise Taxes?](#)

Nation's Restaurant News: [Will Yelp's New Lifestyle Filter Box Out Some Restaurants?](#)

Republic National Distributing Company: [RNDC and O'Neill Vintners & Distillers Expand Partnership in Key States](#)

SevenFiftyDaily: [How AR Is Reinventing Drinks Marketing](#)

Shanken News Daily: [Champagne's U.S. Shipment Value Soars in First Half](#)

VinePair: [What Are the Best Trends in Beer Right Now?](#)

Wine Enthusiast: [Why a Wine's Alcohol-by-Volume is Lying to You](#)

AFFILIATE NEWS:

Alaska CHARR

[Proposed State Regulations Would Limit Events Hosted by Alaska Brewers and Distillers](#)

Alaska's Alcoholic Beverage Control Board recently proposed a regulation change that would prevent breweries and distilleries from hosting social gatherings that are advertised to the public. Brewers and distillers worry what the proposal could mean for their businesses. Current state regulations restrict the activities that can take place at breweries and distilleries.

Malt Beverage Distributors Association of Pennsylvania

[Legislation to Loosen Liquor Laws Draws Strong Opposition from Distributors, Union](#)

A bill aimed at giving retailers more flexibility in the sale of beer and wine went under the microscope by a Pennsylvania House panel, but the chairman of the committee said a recommendation is far from official. Members of the Liquor Control Committee took testimony this week from several Pennsylvanians intricately involved in alcohol beverage sales across the state.

Malt Beverage Distributors Association of Pennsylvania

[New Beer Fights Brewing in Harrisburg](#)

Battle lines are already being drawn on another round of beer and liquor reform in Harrisburg, while state Rep. Frank Burns, D-Cambria, continues an open-records fight with the Pennsylvania Liquor Control Board. House hearings and public statements are throwing the latest liquor reform debate into relief, with some representatives pushing for expanded beer and wine sales despite protests from wholesalers and organized labor.

CANNABIS NEWS:

[Do We Really Want a Microsoft of Marijuana? \(Op-Ed\)](#)

The legalization of marijuana as a medicine in 33 states, 11 of which allow its use as a recreational drug, has made weed a dynamic American industry, among the economy's fastest-growing sources of new jobs. California alone, with \$3.1 billion in projected marijuana sales for this year, has a legal market as large as that of any country on the planet.

[Contaminant Found in Marijuana Vaping Products Linked to Deadly Lung Illnesses:](#)

State and federal health officials investigating mysterious lung illnesses linked to vaping have found the same chemical in samples of marijuana products used by people sickened in different parts of the country and who used different brands of products in recent weeks.

[Understanding the Evolution of Cannabis Wine:](#)

During the days of Prohibition, federal law decreed the production of alcohol to be illegal, but it was not illegal to consume it, so one of the ways drinkers could get their fix was by obtaining a prescription for medicinal use.

ASSOCIATE SPOTLIGHT:



ECRS is an industry-leading solutions provider that harnesses technology to future-proof today's retailers and prepare them for tomorrow's opportunities. ECRS' revolutionary CATAPULT® system is the market's only truly unified point of sale platform. With CATAPULT, the point of sale, self-checkout, web store, inventory, customer loyalty, back office, e-commerce, and enterprise management are housed in one system that shares a single transactional business logic. Unified Transaction Logic™ is empowering our retailers to prosper by providing actionable business intelligence across the enterprise. Unifying hardware, software, and services, ECRS offers a friction-free, cost-saving solution that will increase customer engagement and improve the consumer experience.

STATE & LOCAL NEWS:

Arkansas: ABC Willing to Take Action Against Dispensaries Not Open by Next Year:

It has now been roughly nine months since the state's medical marijuana commission issued its 32 dispensary licenses. Since then, only a quarter have opened their doors for business. According to Scott Hardin, the spokesperson for the Department of Finance and Administration, ABC's director is officially on the record saying the agency is prepared to take action against dispensaries dragging their feet.

California: It's Almost Impossible to Buy Liquor at Amazon's Glassell Park Liquor Store:

Amazon Prime Now actually has a liquor store in the neighborhood. But it seems like you can't just walk in and buy liquor there, according to L.A. Magazine and Wine Searcher. And in a reversal on Prohibition, this is a rare case where it's actually illegal not to sell liquor.

California: Extending Last Call to 4:00 AM Could Cost More Than Two Million Dollars a Year:

Allowing bars in nine California cities, including Sacramento, to apply to stay open until 4 am could cost at least two million dollars a year. Senate Bill 58 would allow bars in Sacramento, San Francisco, Oakland, Los Angeles, West Hollywood, Long Beach, Coachella, Cathedral City, Fresno, and Palm Springs to extend last call hours from the current 2 am to 4 am starting January 1, 2022.

Georgia: DOR Announces Temporary Suspension of Issuance of Temporary Alcohol Licenses to Applicants:

The Georgia Department of Revenue (DOR) Sept. 1 published an important notice on alcohol and tobacco for excise tax purposes. Beginning Sept. 4, the DOR will temporarily suspend issuing temporary permits to new license applicants to efficiently serve businesses during beverage alcohol license renewal season.

Massachusetts: Johnson Bros. Voluntarily Forfeits License Amidst ABCC Investigation:

Minnesota-based Johnson Brothers has voluntarily forfeited its wholesale license in Massachusetts following a recent investigation into the company's operations in the state by

New York: Gov. Cuomo Signs Bill Relaxing Alcohol Service Restrictions for Nonprofits:

Soon you'll be able to enjoy a glass of Riesling while marking off your bingo card in New York. Governor Cuomo has signed a bill into law, relaxing the state's rules for serving alcohol at fundraisers for non-profits featuring games of chance, such as bingo.

Minnesota: DOR Announces Updated Tax Delinquency List for Alcohol Resales:

The Minnesota Department of Revenue (DOR) Aug. 29 published an updated excise tax delinquency list of businesses prohibited from purchasing liquor, beer, or wine to resell. The list includes businesses that failed to pay state taxes. Wholesalers, manufacturers, and brewers are prohibited from sale or delivery to the listed businesses.

Oklahoma: Alcohol Distribution Ruling Appealed to State Supreme Court:

A much-debated alcohol distribution law is headed back to court. An appeal filed Thursday seeks to reverse a ruling by Oklahoma County District Judge Thomas Prince on Aug. 12 that claims Senate Bill 608 violates the state's constitution.

Pennsylvania: Alcohol Sales Proposal Draws Fire:

A state lawmaker's wide-ranging proposal to make alcohol sales more convenient — including a provision that would allow big box stores like Wal-Mart to sell cases of beer — has drawn fire from multiple sources, including the head of the committee that will handle the bill.

Texas: Breweries Start Selling Beer-to-Go As New Alcohol Laws Go into Effect:

Texas' "beer-to-go" law went into effect today, allowing the purchase of beer direct from breweries and taprooms. State Rep. Eddie Rodriguez of Austin bought the first beer to go this morning at Zilker Brewing Company on East Sixth Street.

Washington: Proposed Bill Would Open Door to Home Delivery of Marijuana:

State marijuana regulators are considering opening the door for smaller-scale farms producing medical-quality cannabis to deliver directly to consumers.

the Massachusetts Alcoholic Beverages Control Commission (ABCC).

Michigan: State Becomes First to Ban Flavored e-Cigarettes: Michigan on Wednesday will become the first state in the nation to ban flavored e-cigarettes, a step the governor said was needed to protect young people from the potentially harmful effects of vaping. Gov. Gretchen Whitmer (D), in an interview, said the state health department found youth vaping constituted a public health emergency, prompting her to take the action.

Wisconsin: Counties Using Automated Kiosks to Conduct Court-Mandated Alcohol Screening: Counties across Wisconsin are using automated kiosks to conduct Breathalyzer tests for people required to take part in court-mandated alcohol screening. The kiosks use fuel cell technology to monitor blood alcohol content, and tests are taken without the presence of a supervisor.

BUSINESS & LIFESTYLE NEWS:

Report: Which States Have the Steepest Alcohol Taxes?: The state distilled spirits excise taxes in Virginia ranked third highest in the nation, according to a new analysis from the Tax Foundation based on January 2019 data. The state's effective excise tax on a gallon of distilled spirits in Virginia stood at \$19.93, the Tax Foundation study found.

Why Millennials Are Drinking Less Beer and Sipping More Wine, Spirits: Millennials Opens a New Window. may not be drinking as much, but they are drinking higher-quality booze Opens a New Window. , according to one executive from a best-selling premium vodka brand. "They kind of move away from beer towards wine and spirits," said Grey Goose North America Vice President Martin de Dreuille.

NIC Fraternities Ban Hard Alcohol in Decisive Action: In an important, decisive action to enhance health and safety in fraternity communities, the North American Interfraternity Conference (NIC) recently adopted a Standard prohibiting hard alcohol from fraternity chapter facilities and events.

Boston Beer CEO: We're Looking at Cannabis After Success of Hard Seltzer Business: The CEO of Boston Beer Company told CNBC on Friday that the brewer is looking to enter the cannabis market next after its success in the hard seltzer business. "We're not going to be the first one in, but we're going to study and learn once the [hard seltzer] category develops. We'll play it sometime down the road," CEO David Burwick said on "Power Lunch."

Ready-to-Drink Beverages: A Convenient Answer to Consumer Demand for Functionality?: Ready-to-drink beverages, or RTDs, are single-use beverages that are packaged ready for immediate consumption upon purchase. The market for RTDs is now broader than ever, ranging from iced coffees and teas, to kefir yoghurt drinks to canned wines and cocktails.

Corona Enters Flavored Malt Beverage Market with 'Refresca': MillerCoors and Anheuser Busch InBev are struggling to grow their biggest brands, but Constellation Brands is sailing along as Corona and Modelo keep outperforming Bud Light, Coors Light and Miller Lite.

Judge Orders Anheuser-Busch to Halt 'Corn Syrup' Labels: A federal judge on Wednesday ordered Anheuser-Busch to stop using Bud Light packaging that implies rival brews made by MillerCoors contain corn syrup. The order extends an injunction issued in May that barred Anheuser-Busch from making those claims in television, billboard and print advertising.

