

A. FEDERAL / NATIONAL / INTERNATIONAL

Small Brewer Federal Excise Tax Legislation Update. [H.R. 1236](#), the Small Brewer Reinvestment and Expanding Workforce Act (Small BREW Act) introduced by Representatives Jim Gerlach (PA-6) and Richard E. Neal (MA-2), now has [128 co-sponsors](#). [S.534](#), companion legislation in the Senate introduced by Senators John Kerry (MA-D) and Mike Crapo (ID-R), has [37 co-sponsors](#).

H.R. 1236 and S. 534 mirror the provisions contained in last session's H.R. 4278 and S. 3339 which gained the support of 132 U.S. Representatives and 28 Senators respectively. Specifically, the bills would reduce the small brewer rate on the first 60,000 barrels by 50 percent (from \$7.00 to \$3.50/barrel) and institute a new rate \$16.00 per barrel on beer production above 60,000 barrels up to 2 million barrels. Breweries with an annual production of 6 million barrels or less would qualify for these tax rates.

Makers of Four Loko Reach Agreement with Federal Regulators. Phusion Projects, LLC, the makers of Four Loko, have agreed to re-label and re-package the alcohol beverage to meet Federal Trade Commission (FTC) concerns over a misrepresentation of the true alcohol content of the product and that consumers could safely drink an entire can in one sitting.

According to an [FTC news release](#), the administrative settlement requires Phusion Projects to include disclosures on containers of Four Loko, or any other flavored malt beverage containing more alcohol than two and-a-half regular beers, stating how much alcohol – compared to the amount of alcohol found in regular beer – is in the drink. Additionally, starting six months after the settlement takes effect, Phusion Projects is required to use only resealable containers for flavored malt beverages that have more alcohol than the equivalent of two and a half regular beers.

TTB Issues Guidance on Personalized Labels. As part of the Tax and Trade Bureau's efforts to streamline agency operations with respect to label approval, TTB has issued [guidance](#) affecting personalized labels with the goal of allowing compliant products to bet to market faster.

United Nations (UN) Targets Alcohol as Part of Non-Communicable Disease Epidemic. In a [political declaration](#) adopted during a General Assembly summit, world leaders stated their intention of combatting the so-called "lifestyle diseases" of smoking, alcohol abuse, poor diets and physical inactivity. Calling the threat posed by non-communicable diseases "one of the major challenges for development in the twenty-first century," the UN pledged to work with other United Nations agencies and international organizations to develop, before the end of 2012, "a comprehensive global monitoring framework, including a set of indicators, capable of application across regional and country settings [...] to monitor trends and to assess progress made in implementing national strategies and plans on non-communicable diseases".

B. THE STATES

Trade Practice & Other:

California

[Assembly Bill 183](#), signed into law by the Governor, prohibits off-sale licensees from selling alcoholic beverages using a customer-operated checkout system.

Illinois

Becoming law with the Governor's approval, [Senate Bill 1782](#) provides that any person having been licensed as a manufacturer shall be permitted to receive one retailer's license for the premises in which he or she actually conducts such business, permitting only the retail sale of beer manufactured at such premises and only on such premises.

New Hampshire

The state Liquor Commission has banned the sale of Joose, a fruit-flavored beer, concluding that the labeling does not sufficiently indicate it's an alcoholic beverage and that the bright packaging colors and marketing make distinguishing it from soda difficult.

Pennsylvania

Among other provisions, [H.B. 11](#) provides for the privatization of wine and spirits sales in the Commonwealth.

Wisconsin

Companion bills [S.B. 205](#) and [A.B. 290](#) provide that a person is not required to hold a license or permit to manufacture wine or beer at a business primarily engaged in selling supplies and equipment for use by homebrewers or home winemakers, or to taste the wine or beer at this business, if the wine or beer is not sold or offered for sale. A person is also not required to hold a license or permit to manufacture wine or beer for educational purposes, or to taste the wine or beer at the place of manufacture, if the wine or beer is not sold or offered for sale. A person who manufactures wine or beer under these circumstances is also not required to pay an occupational tax.