

## House Resolution 1227

By: Representatives Epps of the 131<sup>st</sup>, DeLoach of the 119<sup>th</sup>, Connell of the 115<sup>th</sup>, Maddox of the 72<sup>nd</sup>, Stokes of the 92<sup>nd</sup> and others

## A RESOLUTION

1 Urging the United States Bureau of Alcohol, Tobacco, and Firearms and the Director of the  
2 Bureau of Alcohol, Tobacco, and Firearms to reconsider its actions in approving labels and  
3 retail distribution of malt beverage products produced with various flavoring materials,  
4 including distilled spirits; and for other purposes.

5 WHEREAS, the Bureau of Alcohol, Tobacco, and Firearms (ATF) has recently approved  
6 labels for distribution of new malt beverage products which have a wide range of alcoholic  
7 beverage content, including distilled spirits; and

8 WHEREAS, the FAA Act in 1935 by the Congress of the United States and its implementing  
9 regulations did not intend to authorize malt beverage products containing distilled spirits  
10 additives; and

11 WHEREAS, recent approval of statements of process and applications for certificates of  
12 label approval for malt beverages including distilled spirits in "flavored malt beverages"  
13 tends to create an atmosphere of consumer deception; and

14 WHEREAS, taxation and regulatory issues are developing in Georgia and several other states  
15 as a result of recent temporary ATF approval of "liquid flavored" beer containing distilled  
16 spirits and the cross-breeding of malt beverage brands with distilled spirits brands; and

17 WHEREAS, such approval by the ATF places a hardship on the continued effective and  
18 proper regulation and enforcement of both the distilled spirits and malt beverage distribution  
19 system in Georgia and the proper application of taxation of such products; and

20 WHEREAS, the rulemaking process of the ATF includes a responsibility for the ATF to  
21 cause order in the beverage alcohol industry rather than the turmoil created by recent  
22 allowances providing for the continued production of "liquor flavored" malt beverages; and

1 WHEREAS, failure by the ATF to deny approval of malt beverage products which contain  
2 limited amounts of distilled spirits sets a dangerous precedent relative to fair and equitable  
3 taxation of industry product, wholesale and retail distribution of beverage alcohol products,  
4 and the prevention of unfair business practices in the marketplace.

5 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that  
6 the members of this body express their recommendation to the Director of the United States  
7 Bureau of Alcohol, Tobacco, and Firearms to reconsider the bureau's actions in approving  
8 labels and retail distribution of malt beverage products which are produced with various  
9 "liquor flavored" materials, including distilled spirits.

10 BE IT FURTHER RESOLVED that in view of the impact of the bureau's ruling on most  
11 states, this body asserts the imperative need for immediate rescission of such ruling and  
12 strongly urges that such action be taken.

13 BE IT FURTHER RESOLVED that the Clerk of the House of Representatives is authorized  
14 and directed to transmit an appropriate copy of this resolution to the Director, United States  
15 Bureau of Alcohol, Tobacco, and Firearms, Washington, D.C.