September 2021 Legal & Legislative Update

FEDERAL / NATIONAL / INTERNATIONAL

For the latest information on federal issues of importance to brewers, please link to the BA’s Federal Affairs Updates.

BA Submits Comments to TTB on Biden Executive Order
The Brewers Association (BA), responding to a Request for Information relating to President Biden’s Executive Order on Promoting Competition in the American Economy, provided initial comments to the Alcohol and Tobacco Tax and Trade Bureau (TTB) addressing issues directly under TTB jurisdiction. These comments focused on trade practice enforcement issues and the need for regulatory modernization.

TTB and Iowa Wholesaler Come to Terms
The Tax and Trade Bureau (TTB) has accepted a $325,000 offer in compromise from Iowa Beverage Systems (IBEV), an alcohol beverage wholesaler located in Des Moines, Iowa, to settle alleged trade practice violations. The violations included purchasing tap handles and making payments to a retailer in exchange for only buying IBEV products.

THE STATES

Sales, Distribution and Franchise:

Illinois
Signed by the Governor, House Bill 2620, includes certain provisions of the Brewers Economic Equity & Relief Act. The legislation provides for continued curbside pick-up for all licensed brewers, addresses issues related to limited brewpub self-distribution, and codifies the ability to maintain self-distribution for manufacturers producing more than one type of alcohol.

Massachusetts
Scheduled for a hearing, House Bill 475 provides for pub breweries to sell up to 50,000 gallons of beer at wholesale and for off-premises retail sales.

Trade Practice & Other:

California
On the Governor’s desk, A.B. 1267 would authorize alcohol producers, including beer manufacturers, to donate a portion of the proceeds from the sale purchase price of an alcoholic beverage to a nonprofit charitable organization in connection with the sale or distribution of an alcohol beverage, subject to certain limitations.
North Carolina
Signed by the Governor, House Bill 890, among many provisions relating to alcohol beverages, would expand the allowable growler size, clarifies alternating proprietorship abilities, and provides a sales tax exemption for alcoholic beverage manufacturers.