

NABCA DAILY NEWS UPDATE

Thursday, April 2, 2020

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TODAY'S HIGHLIGHTS

- NABCA Launches COVID-19 Resource Page
- Gov. Reynolds signs new proclamation continuing State Public Health Emergency Declaration
- Those selling alcohol to minors can be TRACED
- Distillers, lawmakers pressure FDA to revise hand sanitizer guidelines to permit excise tax relief
- WSTA survey highlights urgent need for alcohol duty freeze
- TTB: Alcohol Beverage Labeling and Advertising Regulations Final Rule

TTB NEWS

NEW COVID-19 PAGE ON TTB.GOV

You can now find all of TTB's COVID-19-related news and guidance in a single location. Check the page frequently to find new or updated information to help you and your business respond to the COVID-19 national emergency.
<https://www.ttb.gov/coronavirus>

TTB Alcohol Trade Practice Video Series

TTB provides on-demand alcohol educational information

Videos: <https://www.ttb.gov/news/see-our-new-ttb-trade-practice-video-series/>

NABCA WEBINAR

NEW! Women. Alcohol. Health. - From Blackouts to Breast Cancer. webinar is now available on our website. Visit www.nabca.org/Resources/Webinars

CONTROL STATE NEWS

NABCA Launches COVID-19 Resource Page

News Release
By NABCA
April 2, 2020

ARLINGTON, VA (April 2, 2020)—With the rapidly evolving policy changes impacting beverage alcohol regulation due to COVID-19, the National Alcohol Beverage Control Association has compiled data from various sources to launch a COVID-19 Resource page.

The page provides several interactive dashboards which will be monitored regularly and updated with new information that becomes available. The dashboards include state actions to lessen the spread of COVID-19 and policy changes that effect on- and off-premise retail operations. The page also includes additional resources from government, industry trade associations, public policy and public health organizations that are also tracking federal and state policy changes to ease the spread of COVID-19.

As a community of diverse agencies, businesses and organizations coming together and finding ways to support each other during these times, if there are updates and questions about what is provided on this COVID-19 resources page, please contact communications@nabca.org.

For information about NABCA, visit www.nabca.org.

VA: Alexandria Urges State to Ease Up on the Cocktail Restrictions

ALX Now
By Vernon Miles
April 1, 2020

With restaurants in Virginia now relying on take-out and delivery for their survival through the pandemic, Alexandria is joining other localities in urging the state government to allow restaurants to make cocktails to-go.

"I am writing to express support to authorize the Virginia Alcoholic Beverage Control (ABC) to allow the selling of mixed beverages for delivery and pickup by restaurants in the City of Alexandria and across the

Commonwealth of Virginia,” Mayor Justin Wilson said in a letter to Gov. Ralph Northam.

Two weeks ago, the state did loosen up on its restrictions regarding selling beer and wine to-go.

Wilson said in the letter that alcohol sales in take-out and delivery options could help offset other revenue losses — at least a little. Alexandria’s bar and restaurant scene has already seen closures as a result of the statewide restrictions.

“Alexandria restaurant owners have indicated that the sale of mixed beverages provides healthy margins that keep them afloat during this time,” Wilson said. “They believe that the ability to offer these beverages for delivery and pickup as part of the new limitations on restaurants is vital to their ability to remain in business in the current environment.”

The letter is in support of a request by Richmond Mayor Levar Stoney to the Virginia ABC. The letter was shared by other members of the City Council who echoed the mayor’s sentiment.

California, Kentucky, Colorado, Vermont and Nebraska have similarly loosened restrictions on mixed beverages.

“In states that have loosened restrictions on mixed beverages, these new provisions have promoted a sense of normalcy to their clientele, have increased sales and allowed some staff to continue working,” Wilson said. “The COVID-19 pandemic has required all of us in the Commonwealth and the nation to think innovatively in order to assist those who need the most. Small businesses and their personnel are no exception.”

PA: Pennsylvania reopens online liquor sales, but site unavailable due to high demand

The Philadelphia Inquirer
by Oona Goodin-Smith and Sarah Anne Hughes,
Spotlight PA
April 1, 2020

Pennsylvania’s brick-and-mortar liquor stores may still be shuttered due to business restrictions during the coronavirus pandemic, but the commonwealth’s online spirits shops are back open for business — and facing “overwhelming demand.”

In fact, demand was so great Wednesday that the Pennsylvania’s Fine Wine and Good Spirits website was unavailable to most users almost as soon as the online delivery service was restored, instead displaying an apology: “Due to overwhelming demand, the online store is not available at this time. Please try again tomorrow or in the coming days.”

Access to the website will be randomized throughout the day to avoid overwhelming the site, according to a release from the Pennsylvania Liquor Control Board.

Customers will be limited to purchasing up to six bottles per transaction from a reduced catalogue, the board said, and all orders must be shipped to home or non-store addresses. Only one order per address will be fulfilled per day.

“Our liquor stores are closed, and I think that’s going to be good for employees in the liquor stores,” Gov. Tom Wolf said at a Wednesday news briefing, adding that the shuttered shops make “one less place that disease can be spread.”

“But in the meantime, we have opened up online sales,” he said. “So you can use the online service and that is the way to buy liquor during this crisis. That’s the safe way to do it. And that’s how we’re doing it in Pennsylvania.”

In the days before Pennsylvania’s liquor stores closed in compliance with Wolf’s nonessential business shutdown, statewide alcohol sales shot up by more than 58%, according to the liquor control board.

IA: Gov. Reynolds signs new proclamation continuing State Public Health Emergency Declaration

Marion County Tribune
By Steve Woodhouse
April 1, 2020

DES MOINES – Today, Gov. Reynolds signed a new proclamation continuing the State Public Health Emergency Declaration. The proclamation extends regulatory relief allowing bars and restaurants to provide carry-out or delivery of alcoholic beverages until April 7, 2020. It also authorizes the sale of mixed drinks and cocktails for carry-out or delivery through April 7, 2020.

The proclamation also provides county hospitals greater borrowing flexibility, permits electronic

corporate annual meetings, and eases certification requirements for law enforcement officers.

Read the full text of the proclamation below:

WHEREAS, the World Health Organization has reported an outbreak of thousands of cases of Novel Coronavirus 2019 (COVID-19) in multiple countries, causing illness and deaths; and

WHEREAS, on January 31, 2020, the United States Department of Health and Human Services declared a national public health emergency; and

WHEREAS, on March 9, 2020, a Proclamation of Disaster Emergency was issued to coordinate the State of Iowa's response to this outbreak and such disaster continues to exist; and

WHEREAS, on March 11, 2020 the World Health Organization declared the COVID-19 outbreak a global pandemic; and

WHEREAS, on March 13, 2020, President Donald J. Trump issued a proclamation declaring that the COVID-19 outbreak in the United States constitutes a national emergency; and

WHEREAS, on March 17, 2020, a Proclamation of Public Health Disaster Emergency was issued to provide additional needed resources and measures to respond to this disaster, and such public health disaster continues to exist; and

WHEREAS, strict compliance with the provisions of Iowa Code §§ 123.30(3)(c) and 123.49(2)(d), prohibiting a class "C" liquor control license holder from selling mixed drinks or cocktails for consumption off premises, would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state; and

WHEREAS, strict compliance with the provisions of Iowa Code § 123.30(3)(c) regarding sale of unopened containers of alcoholic beverages to patrons for consumption off premises by class "C" liquor control licensees would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state; and

WHEREAS, strict compliance with the provisions of Iowa Code § 123.130(4) and Iowa Administrative Code 185-4.6(3)(c) & (e) requiring that beer sold at retail at the manufacturing premises for consumption off the premises must be in-person and transferred to another container at the time of

sale would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state; and

WHEREAS, strict compliance with the provisions of Iowa Code § 347.14(4), prohibiting a board of trustees of a county hospital from borrowing moneys, secured solely by hospital revenues, for the purpose of sustaining the hospital's operations would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state; and

WHEREAS, strict compliance with the provisions of Iowa Code chapters 490, 491, 499, and 501A requiring a physical meeting of shareholders, policyholders, or members would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state; and

WHEREAS, strict compliance with the provisions of Iowa law regarding the certification, certification deadline(s), and continuing education requirement(s) for certified peace officers and jailers would prevent, hinder, or delay necessary action in coping with this disaster in all counties of our state.

NOW THEREFORE, I, KIMBERLY K. REYNOLDS, Governor of the State of Iowa, by the power and authority vested in me by the Iowa Constitution, Art. IV, §§ 1, 8 and Iowa Code §§ 29C.6(1), 135.140(6), and 135.144 do hereby proclaim a STATE OF PUBLIC HEALTH DISASTER EMERGENCY continues to exist throughout the entire state of Iowa and do hereby ORDER and DIRECT the following:

SALES OF ALCOHOL

SECTION ONE. Pursuant to Iowa Code § 29C.6(6) and Iowa Code § 135.144(3), and in conjunction with the Iowa Department of Public Health, I temporarily suspend the regulatory provisions of Iowa Code §§ 123.30(3)(c) and 123.49(2)(d), to the extent a class "C" liquor control license holder is prohibited from selling mixed drinks or cocktails for consumption off premises. Mixed drinks or cocktails may be sold if sealed with a lid or other method of securing the product and promptly taken from the premises prior to any consumption, such as on a carry-out or drive-through basis, or if the beverage is delivered to customers off the premises. Nothing in this provision alters or modifies the provisions of Iowa Code §§ 321.284 or 321.284A related to open containers in motor vehicles. Suspension of this provision is

effective immediately and will continue until 11:59 p.m. on April 7, 2020.

SECTION TWO. Pursuant to Iowa Code § 29C.6(6) and Iowa Code § 135.144(3), and in conjunction with the Iowa Department of Public Health, I continue to temporarily suspend the regulatory provisions of Iowa Code § 123.30(3)(c) prohibiting a holder of a class “C” liquor control license from selling unopened bottles of wine or alcoholic liquor for consumption off premises. Class “C” licensees may continue to sell beer for consumption off premises. Beverages may be sold if promptly taken from the premises, such as on a carry-out or drive-through basis, or if the beverage is delivered to customers off the premises. Suspension of this provision will now continue until 11:59 p.m. on April 7, 2020.

SECTION THREE. Pursuant to Iowa Code § 29C.6(6) and Iowa Code § 135.144(3), and in conjunction with the Iowa Department of Public Health, I continue to temporarily suspend the regulatory provisions of Iowa Code § 123.130(4) and Iowa Administrative Code 185-4.6(3)(c) and (e) requiring that beer sold at retail at the manufacturing premises for consumption off the premises must be in-person and transferred to another container at the time of sale. Suspension of this provision will now continue until 11:59 p.m. on April 7, 2020.

COUNTY HOSPITAL BORROWING

SECTION FOUR. Pursuant to Iowa Code § 29C.6(6) and Iowa Code § 135.144(3), and in conjunction with the Iowa Department of Public Health, and at the request of a local governing body, I temporarily suspend the regulatory provisions of Iowa Code § 347.14(4), to the extent it prohibits a board of trustees of a county hospital from borrowing moneys, secured solely by hospital revenues, for the purpose of sustaining the hospital’s operations.

ELECTRONIC CORPORATE SHAREHOLDER MEETINGS

SECTION FIVE. Pursuant to Iowa Code § 29C.6(6) and Iowa Code § 135.144(3), and in conjunction with the Iowa Department of Public Health, I temporarily suspend the regulatory provisions of Iowa Code chapters 490, 491, 499, and 501A to the extent they require a physical meeting of shareholders, policyholders, or members, if the meeting is held by means of remote communication and provides shareholders, policyholders, or members a reasonable opportunity to participate in the

meeting and to vote on matters submitted for action at such meeting, including an opportunity to communicate, and to read or hear the proceedings of the meeting, substantially concurrently with such proceedings.

LAW ENFORCEMENT CERTIFICATION RELIEF

SECTION SIX. Pursuant to Iowa Code section 29C.6(6), I temporarily suspend the regulatory provisions of Iowa Code Chapter 80B, and any provisions of the Iowa Administrative Code implementing those chapters, to the extent they set an expiration date, certification requirements, renewal requirement, or deadline for professional certification, or specialty certifications that expire during the duration of this proclamation. Suspension of these provisions shall extend through the duration of this Proclamation and any future extension of this suspension. I hereby direct the Iowa Law Enforcement Academy and its Council to provide additional guidance to certified peace officers and holders of specialty certificates regarding the effect of these suspensions.

IMPLEMENTATION AND INTERPRETATION

SECTION SEVEN. The Iowa Department of Public Safety, Iowa Department of Public Health, Iowa Department of Education, Iowa Department of Homeland Security and Emergency Management, Iowa Department of Transportation, and other participating state agencies are hereby directed to monitor the operation and implementation of this proclamation to assure the public’s health and safety.

SECTION EIGHT. Nothing contained in this declaration shall be construed as an exemption from any other portion of the Iowa Code or Iowa Administrative Code not specifically identified in this proclamation.

SECTION NINE. The provisions of this proclamation shall be effective immediately, unless otherwise noted. This proclamation shall not be construed to otherwise modify the proclamations issued on March 17, 2020, March 19, 2020, March 22, 2020, March 26, 2020. This state of public health disaster emergency shall continue to expire on April 16, 2020, at 11:59 p.m., unless sooner terminated or extended in writing by me.

LICENSE STATE NEWS

CA: Those selling alcohol to minors can be TRACEd

ABC launches new webapp for law enforcement to report critical incidents involving underage drinking

The Sun Gazette

By Reggie Ellis

April 1, 2020

SACRAMENTO— A program developed by an Exeter mother 16 years ago is finding new ways to track down those who sell alcohol to minors throughout the state.

In February, the California Department of Alcoholic Beverage Control (ABC) launched a new app that will help California law enforcement agencies handle critical incidents involving minors and alcohol more efficiently through ABC's Target Responsibility for Alcohol Connected Emergencies (TRACE) program. The new app was developed by students at Sacramento State University in partnership with ABC.

ABC in California has now launched their new app to help law enforcement track illegal incidents involving minors and alcohol. Submitted photo.

"The talent these students brought to this effort increases more timely notifications and improves the opportunities for successful investigations," said ABC TRACE Supervising Agent in Charge Brandon Shotwell. "They developed an app that is easy to use and will help ABC agents when they respond to alcohol-related emergencies involving California youth."

The app provides a simple list of questions for responding law enforcement officers to answer from the scene of an incident. Officers can easily access the app through their phones or tablets in the field.

The TRACE Protocol was created in 2004 when a diverse group of law enforcement agencies, including ABC, stakeholder groups and individuals tried to grapple with the problem of youth access to alcohol. The catalyst for the conversation was the death of Exeter Union High School graduate Casey Goodwin. The 20-year-old was driving home from college in San Luis Obispo for her mother's birthday on March 12, 2003 when her car was hit head-on by a car traveling at 90 mph and being driven by

Fernando Ochoa, 18, who had been drinking. Goodwin was actively involved in drug and alcohol prevention activities both at EUHS and at Cal Poly, San Luis Obispo.

In the aftermath of the tragic crime, Casey's mother, Lynn, an alcohol prevention specialist with California Friday Night Live Partnership based in Tulare County, asked one simple question: Where did the 18-year-old driver get the alcohol?

"Law enforcement had done an excellent job of investigating the crash, but asking that question just wasn't part of standard operating procedure," Lynn said. "In very rare instances is the alcohol stolen. Someone sold him the alcohol or gave it to him.

Lynne's questions and Casey's story caught the attention of then Attorney General Bill Lockyer who convened a task force on underage drinking that included his office as well as the California Highway Patrol, MADD, the California Friday Night Live (FNL) Partnership and the California Office of Traffic Safety (OTS). Soon after those meetings, ABC created the TRACE Unit.

Under the TRACE protocol, law enforcement officers immediately try to determine where the youths obtained or consumed alcohol prior to the event and notify the Department of Alcoholic Beverage Control (ABC) if the alcohol was purchased or consumed at an ABC-licensed business establishment. If the incident involving under-aged drinkers results in death or injury, ABC will be notified immediately to take the appropriate enforcement action.

Lynn said the beauty of the program is that it didn't create a burden on local law enforcement. She said ABC is already allowed to collect evidence at places that sell liquor as part of their license and they have investigators ready to handle that aspect of an underage drinking and driving crash.

"All we did was get local authorities to pick up the phone and notify ABC of the incident," Lynn said. "There was no cost to either department as neither had to spend for additional resources. Everything was already in place."

The TRACE program continues today thanks to a grant from the California Office of Traffic Safety (OTS) through the National Highway Traffic Safety Administration (NHTSA). The grant provides funding for in-depth ABC investigations of serious incidents,

including car crashes, but also alcohol overdoses, poisonings, and assaults involving minors and alcohol consumption. Visit TRACE to learn more.

ABC's mission is to provide the highest level of service and public safety to the people of the state through licensing, education, and enforcement.

"ABC wants to investigate retailers with licenses to sell alcohol if they think this kind of activity is going on," Goodwin said. "It's a priority for them because it is about the well-being of our community."

This fall, Goodwin said students who are part of Friday Night Live chapters up and down the state will begin to inform local law enforcement agencies and businesses that sell alcohol about the app and ask them to pledge to participate in the program. Goodwin said there is also hope that the TRACE protocol may someday be used to identify pharmacies that sell opioids and dispensaries that sell cannabis to minors, especially those who are driving while impaired.

Alcohol is the most widely used substance among the nation's young people and initiation peaks in the years between Grades 7 and 11. More than 40% of high school students reported having used alcohol or drugs in the previous month from 2015-17, the most recent numbers available from KidsData.org. Seven percent of 7th graders, 20% of 9th graders, and 29% of 11th graders in California public schools used alcohol or drugs in the previous 30 days. Statewide, 11% of 11th graders binge drank at least once in the previous month, and 13% had either driven when they had been drinking, or had ridden with a driver who had been drinking, at least once in their lifetimes.

Underage drinking is associated with risky health behaviors (e.g., unsafe sexual practices), injuries, motor vehicle accidents, impaired cognitive functioning, poor academic performance, physical violence, and suicide attempts; binge drinking places youth and those around them at even higher risk for negative outcomes. Drinking during adolescence increases the likelihood of alcohol dependence in adulthood, and excessive alcohol consumption can have long-term health consequences, including liver disease, cancer, and cardiovascular disease.

MD: New Maryland alcohol carryout option helps small business, but for how long?

Local DVM
by Steven Cohen
April 1, 2020

HAGERSTOWN, Md. (WDVM) — As a health precaution, Maryland Governor Larry Hogan closed dine-in services at all bars and restaurants last month, but in a departure from previous regulations, he allowed alcohol as a carry-out option.

Hogan's edict maintains that alcohol may be sold, "if promptly taken from the premises before consumption." The governor's office said the move is "to protect restaurants' ability to do carry-out and hope people will support these efforts."

Other states have followed suit. New York requires the alcohol purchase also include a food order.

Hagerstown's Benny's Pub is about to celebrate 14 years in business but the coronavirus has killed crowds who would be there now watching March Madness. The establishment has had 20 private party cancellations from COVID-19 protocols and will likely have to cancel their annual 5K "Beer Mile" festivity popular with patrons.

"This has been devastating to everybody," says Bill Skomski, Benny Pub's owner. "But we're grateful to the governor and Washington County liquor board that we can sell liquor in a sealed container."

The move does help recover some of the lost revenue from closing the premises to dine-in guests. The governor's order will remain in effect until the end of the state of emergency. Many establishments are wondering about their being able to survive.

"We've been scheduling so many events here and a lot of them have just had to be canceled," an emotional Stacey Gatrell explains. The uncertainty of when "things can get back to normal" for her welcoming the community back to Benny's is a nerve-racking obsession.

In the meantime, Bill and Stacey will prepare the to-go orders and, when requested, pour that alcoholic beverage in a sealed cup.

WI: Tavern lobby asks lawmakers to allow bars to deliver alcohol to homes during coronavirus shutdown

Marshfield News Herald
Molly Beck, Milwaukee Journal Sentinel
April 1, 2020

MADISON - One of the state's most powerful lobbying groups is asking lawmakers to allow bars and restaurants to deliver alcohol to people staying in their homes under Gov. Tony Evers order to stay inside.

It's one of a dozen requests the Tavern League of Wisconsin is putting to lawmakers as they draft relief packages with Evers for the state suffering economic losses as the coronavirus outbreak forces people to stay put and closes scores of businesses.

"Taverns and restaurants in Wisconsin will have been closed to regular business for 38 days after the current Executive Order expires," Tavern League President Chris Marsicano, who owns The Village Supper Club in Delavan, said in a Tuesday letter to lawmakers. "Without the additional help of state government the hospitality industry will suffer significant permanent loss."

The group also is asking lawmakers to:

- Implement a sales tax holiday for all sales at bars and restaurants between March 17 and July 30.
- Bar cable television companies from cutting off service to bars and restaurants for nonpayment for 60 days after the order expires.
- Allow golfers on golf courses, which are closed under Evers' order.
- Prohibit foreclosures, evictions or insurance cancellations of any bar or restaurant until 60 days after Evers' order expires.
- Waive all municipal and state licensing fees for bars and restaurants in 2020.
- Delay the July 2019 local property tax payment and provide a state credit for 2020 property taxes for all bars and restaurants.

The Evers administration provided legislative leaders on March 21 with a \$706 million relief bill that is chiefly aimed at health care and individual

unemployment issues. A second bill is in the works related to economic recovery and less-urgent health care needs.

Republican leaders of the Legislature said they also are working on legislation. It's unclear when lawmakers plan to hold a floor session to take up relief measures.

Aides to Evers, Senate Majority Leader Scott Fitzgerald and Assembly Speaker Robin Vos did not immediately answer whether the Tavern League's requests are measures the state leaders would support in their pieces of legislation.

Bars and restaurants have been closed for in-room service since March 17, allowing workers there to provide delivery and takeout service only.

Other states have relaxed alcohol laws as the majority of governors have ordered — or strongly advised — residents in their states to stay at home as much as possible to avoid spreading the highly-contagious virus further.

The State Liquor Authority in New York on March 18 temporarily lifted its rules preventing restaurants and bars from providing liquor, wine and mixed drinks to go or by delivery.

Patrons may order a cocktail or bottle of wine with a takeout or delivery order under the temporary rules, with some restrictions, most notably that the alcohol must accompany a food purchase.

Overall, people are buying more alcohol since the pandemic hit the U.S. U.S. sales of alcoholic beverages rose 55% in the week ending March 21, according to Nielsen.

Spirits such as tequila, gin and premixed cocktails led the way, with sales jumping 75% compared to the same period last year. Wine sales were up 66% while beer sales rose 42%. And online sales far outpaced in-store sales.

Nielsen said online alcohol sales were up 243%.

MA: Legislature Passes Bills to Help Local Government, Restaurants: Rep. Ryan Commends Leaders for Getting Bills Passed Quickly

Charlestown Patriot-Bridge
by Seth Daniel
April 2, 2020

The State Legislature passed several pieces of legislation over the past few days that focus on helping local businesses like restaurants by allowing liquor license holders to sell beer and wine with food to go – along with a municipal package focusing on taxes.

State Rep. Dan Ryan praised the efforts of both houses of the State Legislature in working well together to get necessary changes passed quickly that will help local businesses and local governments survive the COVID-19 response.

“I want to commend the House and Senate leadership for getting these bills to the Governor’s desk,” he said. “Legislative bodies, by design, are accustomed to deliberation, not immediacy. In Massachusetts our work is bi-cameral, and bi-partisan. We are working collectively to get relief to our local communities as quickly as possible while respecting the confines of our Constitution. We are not out of the woods by a long shot. But I feel good about our local and state governments’ ability to respond and adapt. Mistakes will be made but the will to work and work collectively is heartening.”

State Sen. Sal DiDomenico said the bill came to the Senate on Monday after being passed in the House on Friday, March 27, and it included key provisions like the ability of restaurants with liquor licenses to be able to serve beer and wine with food to-go or delivered.

DiDomenico said despite the shut-down at the State House, the legislature continues to meet regularly via online meetings.

On Tuesday, they had a caucus and last week they had an online meeting with 40 of the state’s top legislative leaders. They plan to have more as well in the coming weeks, likely about two a week.

“We’re still in business and passing bills and I’m co-sponsoring bills,” he said.

The legislation would extend the individual state tax filing and payment deadline from April 15 to July 15.

The legislation also includes the following provisions:

- Permits establishments licensed to sell alcohol for on-premises consumption to sell wine and beer via delivery and take-out provided the

wine or beer is sold in the same transaction as a purchase of food and in a sealed container.

- Modifies local permitting processes, extending municipal tax deadlines, and allowing municipalities to extend property tax exemptions and deferrals.
- Allows municipalities to activate qualified workers by suspending the cap on hours and compensation for certain retired employees for hours worked during the state of emergency.

“As the COVID-19 public health crisis continues to evolve, the House responded again today to the growing needs of our communities, our businesses, and our residents by easing burdens related to local permitting, extending the state’s tax deadline and giving restaurants more business opportunities,” said Speaker Bob DeLeo. “Thank you to Chair Michlewitz and Chair O’Day for their leadership on these important issues.”

Said neighboring State Rep. Aaron Michlewitz, chair of the Ways & Means Committee, “This relief package will give administrative and economic relief to our restaurants, our cities and towns, and to the taxpayers of the Commonwealth. As we continue to face the day to day effects of COVID-19, it is vital that we do all that we can to offer assistance to those in need.”

The bill was expected to be signed quickly by Gov. Charlie Baker, who proposed many of the measures two weeks ago.

INTERNATIONAL NEWS

Australia: Distillers, lawmakers pressure FDA to revise hand sanitizer guidelines to permit excise tax relief

More than 2,000 distillers are involved in sanitizer production, experts said.

ABC News
By Trish Turner
April 2, 2020

As the novel coronavirus spread across the globe and health officials implored the public to use more hand sanitizer to mitigate the potentially deadly pathogen, grocery stores and online retailers saw the product evaporate from their shelves.

Desperate first responders and others on the frontlines of the battle against the pandemic grew alarmed, but in walked an unlikely savior: the booze industry, which shifted gears to churn out sanitizer using alcohol it had on hand and following a recipe approved by the World Health Organization.

But U.S. federal regulators -- trying to balance safety concerns with a rising demand for the virus-mitigating product -- are insisting that the recipe is not enough, and this stance is now complicating efforts to waive federal excise taxes on the sanitizing product.

The result has led to an increasing pressure campaign, including senior members of Congress.

Critics say the unbending stance by the Food and Drug Administration is inhibiting the production and distribution of thousands of gallons of the germ killer, though some distillers are providing their product regardless of FDA guidelines.

More than 2,000 distillers are involved in sanitizer production, according to industry experts, many following WHO rules, which allows for the use of "undenatured" alcohol, a food-grade ethanol that the industry has readily available.

The new \$2 trillion stimulus bill signed into law last week threw something of a wrench into the works of this massive mobilization effort. The legislation provides a much-needed waiver of costly federal excise taxes on distillers who make sanitizer.

But, it links that waiver to an adherence to the stricter FDA guidelines, which require the use of much more bitter, often toxic, chemicals, called "denatured" alcohol, to deter consumption, particularly by children. And critics have cried fowl.

"This would penalize distillers who jumped in to produce hand sanitizer based on the WHO guidelines when regulatory guidance was unclear," said Chris Swonger, president and CEO of the Distilled Spirits Council of the United States (DISCUS), which represents scores of large and small distillers.

Swonger said these toxic agents could make it much harder for stills to turn back to the production of whiskey and such beverages when the nation returns to normal.

Australia: Premier addresses concerns over liquor restrictions

The Shout
by Deborah Jackson
April 2, 2020

Under the restrictions that were announced last week, a person can purchase one carton; three bottles of wine; one litre of spirits; one litre of fortified wine; or a combination of any two (but not the same product).

But this came under criticism as alcohol suppliers in eastern states quickly started targeting Western Australian consumers.

Liberal MP Alyssa Hayden, who is the opposition spokesperson for small business and tourism asked the Premier during question time why online liquor merchants from interstate could still sell cheap and unlimited alcohol in WA, but local retailers had to comply with the restrictions.

"It's a good point and it is very difficult, in fact impossible to control trade between the states, so it's a difficult issue to resolve," answered McGowan.

"We have done our best to restrict the overwhelming number of people who purchase alcohol to ensure they purchase responsibly. What we saw in the supermarkets over the course of the last month has been very unseemly, unnecessary and inappropriate and we didn't want to see the same thing happening in our bottle shops.

"I think we struck the right balance, we ensured that there was enough for everyone, and we ensured that there wasn't those massive runs on bottle shops that we saw in supermarkets.

"Is our solution perfect? It's probably not perfect but we've done our best in a difficult situation."

The Liquor Stores Association (LSA WA) would like to work with the State Government on a solution that will protect local jobs.

"We understand these are unprecedented times to what we consider normal and the level of pressure and stress all governments across Australia are facing," says LSA WA, CEO, Peter Peck.

"Going forward we just hope the State Government will seek and listen to our advice. We are all aligned on the outcome and that is keeping Western Australia

safe. But we also want to ensure local jobs as much as possible.

“We feel quite positive that by working with the Premier and the Emergency Committee we can find some common ground.”

INDUSTRY NEWS

WSTA survey highlights urgent need for alcohol duty freeze

Drinks Retailing
By Sonya Hook
April 1, 2020

The Wine and Spirit Trade Association (WSTA) has said its members “overwhelmingly support” the organisation’s calls for a six-month suspension to alcohol duty.

The WSTA surveyed its members about challenges they are facing during the Coronavirus crisis and the results showed the most immediate concern was cashflow, with 95% of companies agreeing that the government should suspend excise duty for six months “to provide the lifeline that keeps them afloat”.

Many businesses faced duty bills on March 25 and were unable to pay. Some were then granted a deferment by HMRC for three months, but the WSTA is calling for this deferment to be converted to a duty suspension to enable companies to keep hold of vital funds. It would also help avoid adding debt to business.

The survey also confirmed that supermarkets have experienced a temporary boost in alcohol sales due to customers stockpiling, while other alcohol businesses have seen a short-term increase in demand. For others, it said, “the future looks grim”.

Miles Beale, chief executive of the WSTA, said: “The WSTA, our members and the wider drinks sector have welcomed many of the measures announced by the Chancellor to support businesses as a result of the Coronavirus. Excise duty reliefs continue to be the most common suggestion of a way that government can make a real difference to the sector.

“Our members’ survey showed overwhelming support for a six-month suspension to alcohol duty. Government has made it clear that there is no quick

fix to the Coronavirus crisis and has warned that it could be six months before life in the UK returns to normal. With many businesses facing duty bills again in three months’ time, the wine and spirit trade is likely to find itself under even greater financial pressure than they were at the beginning of the outbreak.

“Another key concern highlighted by members was that taking up government-backed loans would take time and would risk leaving businesses drowning in debt at the end of the lockdown period. The impact will be even greater on cash-strapped SME’s with limited access to capital and restricted cashflows.”

Coronavirus and The Wine Industry

Forbes
By Liza B. Zimmerman, Contributor
April 1, 2020

As the wine industry struggles to right itself in a challenging economy, some of its lobbying associations are conducting surveys and seeking solutions. At least in California and Oregon—where many wineries have been hard hit by the fires in past years—this is an additional hurdle that won’t be easy to address in the short and long term.

The Washington D.C.-based WineAmerica—which represents 800 wineries in 46 states—put together a survey that was sent out in late March with some surprising results. According to Michael Michael Kaiser, the organization’s vice president of government affairs, responses were received from 1,085 wineries in 49 states that represent more than 10 percent of all American wineries.

The questions, he notes, “examined the overall effects on employment, production, tourism, sales, expenses and total financial loss. Because there is such variability in the sizes of wineries, WineAmerica is reporting both the mean [average] and median [midpoint] of responses to present a more complete picture.”

Some of the group’s key findings—according to numeric extrapolations for March— included that 4,582 events were canceled and total financial loss in the same time due to Coronavirus in the same period approximates \$40,439,764.

All responses have been edited and condensed for clarity.

Liza B. Zimmerman L.B.Z.: What prompted you to conduct this study?

Michael Kaiser (M.K.): The third week in March I had around 30 conference calls with Congressional staff about what the wine industry might need in terms of economic relief. We needed some economic data to bolster our advocacy. Also, about three weeks ago we saw the writing on the wall that we should see how this might impact the industry.

L.B.Z.: How long did it take?

M.K.: We put the questions together over the course of four days.

L.B.Z.: How did you calculate total loss and what regions does it apply to?

M.K.: We had spoken to about 10 percent of the total American industry, so we extrapolated the data from that. It covered the entire country.

L.B.Z.: What are your current greatest concerns?

M.K.: Right now we are concerned with some wineries' abilities to even stay in business. A lot of wineries simply don't have much in the way of cash reserves.

The loss of in-person tasting room revenue will really have a lasting impact on the industry. We are coming into the busiest season for most wineries. People assume that wineries can just ship wine everywhere and there is a lack of understanding that each state has different requirements. Our biggest concern is mainly the loss of revenue.

L.B.Z.: How are wineries being compensated by the government?

M.K.: A lot of wineries have kept their employees on payroll, or intend to as long as they can. The CARES Act, the large bill that has passed the Senate and the House has forgivable, small business loans that wineries can take advantage of to cover payroll. Also, there is guaranteed unemployment insurance for four months in that bill for anyone that has lost their job temporarily due to this crisis.

L.B.Z.: Do you have any idea when this will all stop being a problem?

M.K.: I don't think anyone knows that at this point. I know this comes at a time when wineries are gearing up for the busy season of the spring and summer, which is not great timing.

L.B.Z.: Do you think the wine industry will recover?

M.K.: I honestly don't know. I think a lot of wineries may go out of business and never recover.

I think a recovery simply looks like a return to normal, if you will with tasting rooms back open and events happening. I think that would be the best case scenario with as many wineries as possible back in business.

L.B.Z.: Are wineries making enough money by focusing on retail sales?

M.K.: Some probably are. The issue is that most wineries still count on the hand sale of a tasting room. I do think that this situation has caused people who already order wine direct from wineries to order even more and some who maybe never have ordered wine are now starting to do so.

U.S. Alcohol Sales Increase 55 Percent In One Week Amid Coronavirus Pandemic

Newsweek
By Jade Bremner
April 1, 2020

In the week ending March 21, sales on alcoholic beverages have spiked by 55 percent according to market research firm Nielsen.

Hard liquors, including tequila and gin, as well as cocktails are the favorites among consumers. Sprints sales increased by 75 percent compared to the same dates in 2019. Beer is the next most popular drink, with purchases up by 66 percent, then wine, up 42 percent year-on-year.

Nielsen's vice president of beverage alcohol, Danelle Kosmal, predicted that we've probably seen the peak of consumer demand for alcohol. "I suspect that the week ending March 21st will feature the strongest growth rates that we will see during this consumer pantry-loading time," he told The Drinks Business.

"Data for the week ending 28 March will be very telling, and I think it will be a better indicator of the new normal in how consumers are responding to the

crisis and their new normal, centered around the home."

Astor Wines & Spirits in Manhattan, New York, has closed its walk-in store and now only offers deliveries. While it couldn't put an exact figure on the growth of its recent sales, the company is certainly experiencing a surge in sales across the board on all products.

"We have a physical store, but we don't allow customers to come into the store, to walk around and shop. They can only place deliveries which are driving a big increase [in sales]," Rob Fischer, CEO of Astor Wines & Spirits in Manhattan told Newsweek.

"Our delivery business is very strong," continued Fischer, "bars and restaurants are closed so there's no other real place to get alcohol and people are stuck at home with time on their hands so they're making more lavish meals and would like to enjoy a nice bottle of wine with it."

Trends like virtual parties and happy hours have only added to the need to purchase alcohol for home consumption, explained Fischer: "I know there are some people doing virtual happy hours, maybe they need wine for that, and people are not comfortable going out, so if they can get a delivery they'd like to do that." Other products to have a recent sales surge include toilet roll, hand sanitizer, and pasta.

New York is one of many states across the U.S. enforcing social distancing regulations due to coronavirus. Temporary public closures include restaurants, bars and other social spaces serving alcohol, plus theaters, bowling alleys, amusement parks, and malls.

Due to COVID-19, the majority of Americans are currently under a stay-at-home order. States with the strictest social distancing measures in place include New York, California, Connecticut, Washington, Rhode Island, Alaska, Colorado, Vermont, Michigan, New Jersey, Massachusetts, Nevada, Hawaii. In Maine, violators of the "Stay Healthy at Home Mandate" are subject to up to six months in jail and a \$1,000 fine.

Currently, New York has the most confirmed cases of Coronavirus, with more than 76,000 cases and 1,700 deaths, followed by New Jersey with 19,000 cases and 265 deaths, then California with 8,500 cases and 180 deaths.

DAILY NEWS

Alcohol Beverage Labeling and Advertising Regulations Final Rule

TTB

By the Regulations and Rulings Division

April 1, 2020

On April 2, 2020, we will publish a final rule to address certain proposals included in Notice 176, Modernization of the Labeling and Advertising Regulations for Wine, Distilled Spirits, and Malt Beverages. The final rule is effective 30 days from date of publication in the Federal Register.

We recognize that industry members have an interest in regulatory certainty, particularly with regard to policies that may affect the labeling of their products. In this document, we are finalizing certain liberalizing and clarifying changes that were proposed and also identifying certain other proposals that will not be adopted.

While this final rule does not address all of the proposals made in Notice 176, it does provide resolution on a number of issues that:

- do not require any current labels or advertisements to be changed
- were generally widely supported by commenters and stakeholders
- can be implemented relatively quickly, and
- will either give more flexibility to industry members or help industry members understand existing requirements

Specifically the rule finalizes, among other things, the following liberalizing changes that were proposed in Notice No. 176:

- an expanded alcohol content tolerance for distilled spirits
- brand label placement flexibility for distilled spirits
- allowing age statements for most types of distilled spirits
- allowing vintage dates for wine imported in bulk, and
- removing prohibition on strength claims for malt beverages

In addition, this document identifies certain proposals that will not be adopted, including:

- the proposal to define an “oak barrel” for purposes of aging distilled spirits
- the proposal to require that statements of composition for distilled spirits specialty products list components in intermediate products
- the proposal to require that distilled spirits statements of composition list distilled spirits and wines in order of predominance, and
- the proposal to adopt new policies on the use of cross-commodity terms

We continue to consider the remaining issues raised by comments we received that are not addressed in this document, and plan to address those issues in subsequent rulemaking documents.

Resources

- For additional details read the final rule.

Contact Information

If you have questions, please contact the Regulations and Rulings Division

Sagamore Spirit and Johns Hopkins Collaborate to Make Hand Sanitizer

The partnership will provide at least 54,000 liters of hand sanitizer for the Johns Hopkins Health System and others

HUB

By Amy Lunday
April 1, 2020

In the middle of a hand-sanitizer shortage caused by the coronavirus pandemic, Johns Hopkins and Baltimore distillery Sagamore Spirit are working together to manufacture the disinfectant for use by the Johns Hopkins Health System.

The collaboration came together in less than 10 days, with Sagamore Spirit converting 100% of its distillation processes from rye whiskey mash bills to corn ethanol in support of the effort. Hopkins tracked down the raw materials needed per the guidelines provided by the World Health Organization and helped create the formula, said Drew Thorn, vice president of finance and operations at Sagamore Spirit.

"Hopkins has been a fantastic partner in this process, both on the logistical support and on the technical side," Thorn said. "Members of the Hopkins pharmacy team have been working directly with us throughout product development and have come to the distillery to assist with initial formulation and compounding."

With the first batches already in production, the sanitizer will be in the hands of caregivers at Johns Hopkins Hospital this week.

"We have been so gratified by the support we are receiving from the community, from businesses, from individuals," said Paul B. Rothman, dean of the medical faculty and CEO of Johns Hopkins Medicine. "This is a fantastic example of that. Kevin Plank and Sagamore Spirit understand the gravity of the current situation, and they have stepped forward in a major way."

The partnership started taking shape a little more than a week ago, according to Michelle Azotea, director of project management and implementation for the Johns Hopkins Health System Supply Chain. Pharmacist John Hill and the supply chain team set out to make hand sanitizer in-house, but that presented too many obstacles to be safe and viable.

"There are not many places across any of the Hopkins campuses that can handle a large volume of alcohol or flammable liquid," Azotea said. "Knowing that we were in a crisis but also not wanting to harm the health and safety of our employees, we started looking at a means to retrofit either our consolidated services center or to tap into some of the spaces either within our pharmacy compounding area or within our laboratory."

But in order to create the volume necessary to support the whole health system, the team would need to make around 4,500 liters a month—more than any facilities at Hopkins could safely handle, Azotea said.

Coverage of how the COVID-19 pandemic is affecting operations at JHU and how Hopkins experts and scientists are responding to the outbreak

That's when the idea emerged to approach Sagamore Spirit. News stories reported that distilleries were forgoing their normal operations in favor of temporarily switching over to the production of hand sanitizer. At the same time, Under Armour, also

owned by Plank, was making news for its efforts to help during the pandemic.

"We'd been monitoring the growing need for a safe and effective hand sanitizer, while navigating compliance, production, and supply chain issues around ramping up our capacity," Thorn said. "When Johns Hopkins approached us, we were ready to help."

Azotea said the collaboration was underway about an hour after Hopkins contacted Sagamore Spirit. Sagamore Spirit's facility and its operations team are ideally suited for hand-sanitizer production, though the switch posed both regulatory and supply chain challenges, Thorn said. While the FDA and Alcohol and Tobacco Tax and Trade Bureau have clarified certain guidelines to clear the way for distilleries to directly produce the ethanol for hand sanitizer production, getting the right ingredients—ethanol, hydrogen peroxide 3%, glycerol 98%, and purified water—is a tall order, he said.

"Aside from ethanol, we don't use any of the other ingredients in our normal operations," Thorn said. "To complicate matters, one of the biggest regulatory hurdles was that we weren't allowed to use our beverage alcohol in a nonbeverage product. So despite having a state-of-the-art distillery, we were having to go on the open market to buy ethanol, which has all but dried up."

Sourcing materials meant competing in the market with other health care systems looking to make the same production moves.

"Everyone is quickly trying to move to this distillery model, which has led to a different supply chain to try to obtain some of these raw materials," Azotea said. "We had to pull a lot of strings and do a lot of searching on the internet to try to find stocks available."

Hopkins tracked down the raw materials and Sagamore Spirit ramped up production, churning out its first batch of hand sanitizer the morning of Friday, March 27. On Tuesday, Sagamore Spirit delivered its first batches to Hopkins in 5-gallon buckets with spigots. Hopkins staff members transferred it to 4-ounce containers for clinicians' personal preparedness packs, as well as into larger containers for high-traffic areas, including security desks and nurses' stations.

Both Sagamore Spirit and Hopkins hope to expand their homegrown partnership.

"We are open to providing hand sanitizer to the university and then also sharing the wealth and providing this to any other health partners or anyone outside of Hopkins if they need hand sanitizer," Azotea said.

Added Thorn: "We are committed to meeting Hopkins' needs. In addition, we are doing everything possible to expand production beyond 54,000 liters and support other medical systems and critical-need organizations throughout Maryland and beyond."

How To Shop For Wine Safely During the Coronavirus Outbreak

Bustle
By Mia Mercado
April 1, 2020

You've stocked up on food staples, queued up what to watch on Netflix, and now, you've only got one thing left to do: figure out how to safely get wine during the coronavirus outbreak. Well, wash your hands and listen up from the appropriate social distance, because there are still plenty of safe ways for you to have that glass of pinot.

Like shopping for groceries during the coronavirus outbreak or any other sort of public activity, buying alcohol from a store comes with some risk. Being in a crowded place — like a liquor store during peak hours — poses a greater possibility of coming in contact with someone who is infected and contracting the novel coronavirus. As person-to-person contact (through the transmission of infected respiratory droplets) appears to be how COVID-19 is primarily spreading, the Centers for Disease Control and Prevention has recommended gatherings over 10 people be canceled or postponed for at least the next few weeks. Limiting the number of shopping trips you make is likely the best option. And yes, that applies to liquor stores as well.

When you do go shopping, be mindful of what you touch and give fellow shoppers as much space as possible. And, in case it hasn't been drilled into your brain already, don't touch your face and wash your hands once you get home. If you want to be extra cautious, wipe down any bottles, cans, or products

with non-porous surfaces you bought with soap and water or disinfectant.

Can I Get Wine Delivered To My House?

Unless you live in Alabama, Oklahoma, and Utah, chances are good you can have wine shipped to your doorsteps. (Those three states are the only ones that specifically prohibit direct-to-consumer shipment of alcohol, per the National Conference of State Legislatures's page on the direct shipment of alcohol in the United States. Apologies to all Alabamians, Oklahomans, and Utahns.)

While many states have some restrictions on what kind of alcohol can be shipped directly to consumers and how — Delaware requires orders to be processed and shipped through licensed wholesalers and Rhode Island allows alcohol to be shipped but only when purchased on-site — most states allow beer and wine to be shipped straight to you.

Are Wine Delivery Services Safe?

As with food delivery safety, liquor drop off comes with some hypothetical risk as well. There are a few key things to keep in mind to keep yourself and those around you safe: Limit contact with your delivery person, utilize contact-free drop off when possible, and wash your hands. Wiping down deliveries like you would items from the grocery stores will also help reduce your risk of interacting with the virus.

Popular liquor delivery service Drizly is implementing certain precautions in order to keep customers and drivers safe per their website. While contact-free alcohol deliveries can't be guaranteed as in-person confirmation is often required for legal and safety reasons, Drizly is encouraging things like outside delivery drops, contactless ID scanning, and eliminating the need for customer signatures.

If you're able to avoid the store entirely, you won't be lack for choice when it comes to wine delivery. There are wine subscription and wine delivery programs like Usual Wines, Vinebox, Winc where you can spend some of this self-isolation finding your new go-to wine. Favorites like Rosé All Day and Cupcake wine can be bought through third-party sites like Big Hammer Wines and Wine.com.

Have Wine Makers Been Impacted?

While wine availability may depend on where you live, major wine makers are still producing but with more caution. "We have made many changes to our business over the past few weeks," Anna Bell, vice president of marketing at Barefoot Wine, tells Bustle over email. "While we are quickly adjusting to real-time changes affecting how and where consumers are able to engage with us, we continue to work closely with our suppliers, distributors, customers and sales teams and appreciate all of their extra efforts to ensure our fans are still able to access and enjoy Barefoot during this time." Molly Davis, vice president of marketing for Apothic at E. & J. Gallo Winery, spoke to Bustle over email and also emphasized the up-to-date changes Apothic is making to ensure consumer and worker safety.

"We continue to work with our environmental health and safety teams to provide a safe workplace for our production and sales team members who are unable to work remotely," a representative for Gallo, which owns both Apothic and Barefoot Wines, told Bustle over email. "We have made many adjustments to our business, including increased sanitization measures and social distancing and we are providing additional resources to support our employees who are unable to work remotely."

Like many other major wine makers, both Apothic and Barefoot are available to order on Drizly or through the The Barrel Room. So, you'll still be able to sip your favorite (or most \$10) wines at home.

Are Liquor Stores Considered "Essential Business"?

In states that have shuttered nonessential businesses and closed schools, some places are still allowed or required to stay open during COVID-19-related closures. Health and medical facilities are, of course, still open, and grocery stores and restaurants aren't required to completely shut their doors. Additionally, liquor stores, in most states, are staying open.

In Maryland, according to the Baltimore Sun, convenience stores and liquor stores are exempt from nonessential business shutdowns. While wineries and distilleries must close, they can still offer pick-up and delivery services. Per the Seattle Times, some stores that sell liquor and cannabis are staying open during shut-downs though that comes with a couple of

caveats. “Liquor stores that sell food” and “workers supporting cannabis retail and dietary supplemental retail” are deemed essential per Washington state’s nonessential business shutdown.

Pennsylvania has closed its liquor stores amidst shelter-in-place ordinances for a significant portion of the population, as reported by Business Insider. However, doesn’t appear to be the trend in other states. Also, beer and wine are still available at grocery stores.

In other words, you’ll still be able to sip on your sauvignon blanc while enjoying virtual happy hours. But please, quarantine and drink responsibly.

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