

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0137/P1dn
ARG:eev:jm

October 3, 2014

ATTN: Stuart Ewy

Please review the attached draft carefully to ensure that it is consistent with your intent.

As requested, this draft prohibits the sale of powdered alcohol. In preparing this draft, I have reviewed the materials you provided as well as the legislation or proposed legislation from several states, including New York, Minnesota, Vermont, South Carolina, and Alaska. I assume this bill is intended to address the possibility that "Palcohol" might eventually receive federal label approval and be sold in the United States. Palcohol is a dehydrated alcohol product that, when reconstituted with water, would be considered a distilled spirit.

There is at least one dehydrated beer product currently being produced that I believe is commercially available in the United States. My understanding is that Pat's Backcountry Beverages, located in Colorado, produces a dehydrated beer marketed to backpackers. This beer concentrate is sold in the form of a gel, which is mixed with carbonated water. This bill would not prohibit the sale of a beer concentrate in gel form.

Under federal law, it is legal for a commercial brewer to produce a beer concentrate for shipment by removing water from the beer. After shipment, the beer is reconstituted with water by the brewer before being bottled for sale. The beer must be labeled as produced from concentrate and I'm not sure if any commercial brewers actually utilize this process. I am also not sure whether the concentrate takes the form of a slush (like juice concentrate), gel, or powder, so I am not sure how this bill might affect a brewer that does utilize the process.

This bill refers to alcohol by weight, rather than alcohol by volume. I assume that alcohol by weight is a more appropriate measurement for a powder than alcohol by volume. It is my understanding that 0.4 percent alcohol by weight is approximately equal to 0.5 percent alcohol by volume. You may wish to verify this with the Department of Revenue (DOR) or the federal Alcohol and Tobacco Tax and Trade Bureau (TTB), both of which have more technical expertise than I.

Because this bill does not include a specific penalty provision, the general penalty under s. 125.11 (1), stats., applies to violations under the bill.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible “/1” draft.

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