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THE ASSEMBLY

STATE OF NEW YOFIK CHAIRMAN ALBANY Minority Program Committee, MEMBER MARC W. BUTLER Committee on Higher Education Member ot Assembly Committee on Labor 117th District Committee on Agriculture

21 August 2003

Chief, Regulations and Procedures Division Alcohol and Tobacco Tax and Trade Bureau P. 0. Box 50221 Washington, DC 20091-0221

Subject: TTB Notice No. 4 Dear Sir or Madatn:

As an elected official, I am writing to express my support for the U. S. Treasury's Alcohol and Tobacco Tax and Trade Bureau proposed rulemaking for flavored malt beverages. (2001R-136p)

I believe the TTB's action is an important clarification of federal alcohol beverage categories established to maintain an orderly U. S. marketplace. The debate surrounding the proposed standard poses important issues for the stability of the retail licensing system and the overall marketplace.

This standard is the most efficient means to address recent concerns by both federal and state officials. If adopted, the standard will maintain an orderly marketplace, meet consumer expectations for consistent products, and help sustain the longterm development of the product category. In addition, these reformulated products will be consistent with state tax, license, and distribution laws allowing wholesalers and retailers to continue to distribute, sell and market flavored malt beverages as they do today.

Absent a national standard rooted in existing law and regulation, manufacturers, retailers, and wholesalers will face a potential for a patchwork of individual state laws and regulations where the same product may ultimately be sold as a "beer" in one state and as a "distilled spirits" in another.

There are some who have concerns regarding the ability of manufacturers to produce FMB products in accordance with the new proposal. As you may know, brewers have already demonstrated the expertise and technical ability to brew these products under the

235 North Prospect Street, Suite 101. Herkimer, New York 13350, (315) 866-1632. FAX (315) 866-5058 Johnstown City Hall, 33-41 East Main Street. Johnstown, New York 12095, (518) 762-6486. FAX (518) 762-3721 Room 315, Legislative Office Building, Albany, New York 12248, (518) 455-5393, FAX (518) 455-5889 new federal standard. The FMB products that look and taste the same will be available to wholesalers and retailers in all states with no interruption and no discernable taste differences for consumers.

Thank you for this opportunity for me to offer my support for the current TTB proposed rulemaking for flavored malt beverages.

Sincerely

Marc W. Butler Member of Assembly

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