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NEBRASKA BEER vVHOLESALERS ASSOCIATION
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September 19, 2003

ATTN: TTB Notice No.4
Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax and Trade Bureau
PO. Box 50221
Washington, D.C. 20091-0221

Dear Sir or Madam:

The Nebraska Beer Wholesalers Association supports the Tax and Trade bureau's proposed rule defining the alcohol content req,uires for Flavored Malt beverages (FMB) to be classified as Beer. The proposed standard would require that the alcohol content of an FMB could not exceed 0.5%. NBWA believes that this rule will support the viability of this category and the historic definition of beer as compared to other alcoholic products.

It is also our contention that the proposed TTB standard will not adversely affect manufacturers, retailers or wholesalers. Manufacturers have demonstrated that FMB's can be produced under the new Federal standard while retaining the look and taste of those currently on the market. In addition, the TTB assurances of a transition period will permit the sale of products already in the market place. This period will accommodate wholesalers, retailers and consumers alike.

NBWA is very supportive of the power given states to regulate alcohol. In this instance, however, we suggest that Nebraska should follow these proposed Federal

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regulatory guidelines. The proposed rule will preserve an orderly market place, so that State licensing, taxation and distribution policies are not disrupted.

In summary, NBWA encourages the TTB to give final approval to the proposed 0.5% standard on FMB's.

Sincerely,

Mary M. Campbell, Executive Secretary