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STATE OF COLORADO EXECUTIVE CHAMBERS

136 State Capitol
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Phone (303) 866-2471
Bill Owens
Governor

September 24, 2003

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

Dear Mr. Foster:

I am writing to express my support for the United States Treasury Department Division of Alcohol and Tobacco Tax and Trade Bureau's proposed 0.5% standard for flavored malt beverages (2001R-136P).

Adoption of the new rule is important on several fronts. The proposed action will provide clarification of the federal alcohol beverage categories, facilitating the maintenance of an orderly marketplace; it will eliminate consumer confusion; and it will help sustain the long-term development of the emerging product category. Furthermore, the new standard will ensure that all alcohol beverage 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.

Finally, while there are some who have concerns regarding the ability of manufacturers to produce flavored malt beverage products in accordance with the new proposal, manufacturers have already demonstrated the expertise and technical ability necessary to brew these products under the new federal standard. Flavored malt beverage products at the proposed 0.5% standard will continue to be available to wholesalers and retailers in all states without interruption or discernable taste differences for consumers.

I appreciate your consideration of my viewpoint on this important issue. If you would like to discuss this issue in further detail, please do not hesitate to contact my office.

Sincerely,

Bill Owens