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WINE & SPIRITS
WHOLESALE ASSOCIATION

February 17, 2015

To: House Committee on Federal & State Affairs
From: R.E. "Tuck" Duncan
Kansas Wine & Spirits Wholesalers Association
Spencer Duncan, Capitol Connection Kansas
RE: HB2208

The Kansas Wine & Spirits Wholesalers Association supports HB2208, Prohibition on sales of powdered alcohol. HB 2208 would prohibit the sale or free distribution of powdered alcohol by any person licensed under the Kansas Liquor Control Act. The bill defines powdered alcohol as alcohol prepared in a powdered or crystal form for either direct use or for reconstitution in a nonalcoholic liquid.

Powdered alcohol comes in several flavors and is generally a pouch containing one ounce of alcohol. Last year, "palcohol" was initially approved by the Alcohol and Tobacco Tax and Trade Bureau, a decision that was reversed a few weeks later. The manufacturer continues its push for federal approval. There are some who question its safety and have called for a ban by the Food and Drug Administration.

Many in the industry are concerned that inhaling the powdered alcohol could intensify its effect, that it could be used to spike drinks and that the powder could more readily end up in the hands of underage drinkers.

Similar bills are pending in Colorado, Nebraska, Utah, Wisconsin, Ohio, Florida and Indiana. Pennsylvania has announced it will ban the product.

We ask that you recommend this bill favorably for passage.

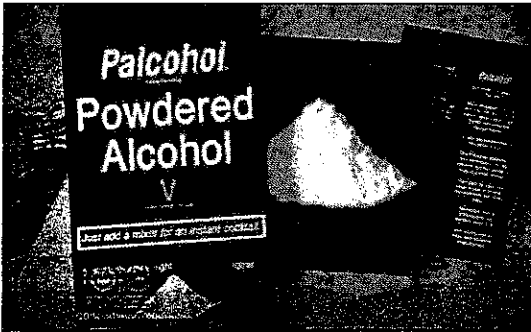
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States Move to Ban Powdered Alcohol Before It Hits the Market

By [Dan Flynn](#) | January 20, 2015 FOOD SAFETY NEWS

Lawmakers in several states want to ban a new powdered alcohol product before it's even available on the market. "Palcohol" is the brand name for the new powdered alcohol that, when mixed with water, becomes a cosmopolitan, mojito, margarita or lemon drop cocktail. It's the invention of Arizona entrepreneur Mark Phillips, whose company hopes to hit the market by spring.



Last spring, the Alcohol and Tobacco Tax and Trade Bureau, an arm of the U.S. Treasury Department, approved "Palcohol" and then rescinded its approval over labeling issues. Phillips' company, called Lipsmark, hopes to overcome that hurdle shortly. State bans may be harder to overcome. Powdered alcohol bans have been introduced in rapid order in states as varied as Colorado, Nebraska, Utah and Wisconsin. The actual number of states that may consider banning the product won't be known until the deadlines for new bills are reached, but the early trend is clear.

Wisconsin State Sen. Tim Carpenter (D-Milwaukee) introduced a bill that he thinks makes his state at least the ninth to actively consider a ban on "Palcohol" before it ever reaches consumers. "The potential for abuse outweighs quite heavily the need for that type of product," Carpenter said. "It would just make life a lot less complicated if we just didn't go there."

Phillips sees his mix-with-water instant cocktails as a "niche" product for adults who hike, bike, camp, kayak or climb rocks, and who would like to be able to pull a cocktail out of their kit bag at the end of the day but have not been able to do so because of the weight that is usually involved.

Ban bill sponsors, however, are expressing concerns about how the powdered alcohol product might be "snorted" or "sneaked into" venues closed to alcohol, possibly to the underaged. Phillips doubts that snorting powdered alcohol will ever catch on for two reasons: 1.) It hurts and burns to snort it, and 2.) It's a slow method of inebriation as it would take a hour or more to snort one packet.

As for sneaking them into a closed venue, the "Palcohol" packages are larger than mini bottles used by airlines, which are also readily available at most liquor stores. Phillips has said he just wants his product "approved, taxed, and regulated" like the others. But state legislatures from both major political parties are jumping on bills to ban powdered alcohol, mostly on the argument that the new product will increase underage drinking. A spokesman for the Colorado County Sheriffs Association has come out for a ban bill, saying that powdered alcohol "doesn't have any place in our society."

"Palcohol" will come in a "V" powder made from premium vodka and an "R" powder made from premium Puerto Rican rum. They can be used with both mixers and water. The calorie content will be 80 calories per packet, not counting whatever mixers might be added to it.

If it gains federal approval, the powdered alcohol product will be subject to all the same state laws that govern the sale and possession of hard booze in all its liquid forms.

Patents for powdered alcohol in the U.S. were first filed as early as 1960. Two similar products, Germany's Subyou and Booz2Go from the Netherlands, are sold in Europe.