

**Project Extra Mile**  
*Underage Drinking Prevention Project*

*Matt Weisz*

**NEBRASKA ALCOPOPS/FLAVORED ALCOHOLIC BEVERAGES  
RESOLUTION OF SUPPORT**

*2006-20*

IN THE MATTER OF examination of problems related to underage alcohol use and the products known as flavored alcoholic beverages or alcopops.

WHEREAS, flavored alcoholic beverages or alcopops are products known as starter drinks, created for and marketed to young people in Nebraska. Alcopops are sweet, fruity or soda pop flavored alcoholic drinks that are particularly popular among 14-18 year old girls, and

WHEREAS, the American Medical Association found through nationwide polls released in December 2004 that approximately one-third of teen girls have tried alcopops, and one out of six have done so in the past six months. Further, more teen girls had drunk alcopops in the past six months than teen boys (31% versus 19%), and

WHEREAS, 2005 Monitoring the Future data shows that 75% of current eighth-grade drinkers had an alcopop in the past month, compared to 70% of tenth-grade drinkers, and 65% of twelfth-grade drinkers, and

WHEREAS, the current Nebraska statute clearly defines alcopops as distilled spirits, and

WHEREAS, independent research indicates that awareness of alcohol advertising and marketing has an impact on the beliefs and expectations of children and youth regarding alcohol use, and

WHEREAS, classifying alcopops as beer allows the alcohol industry to reach more young people through advertising practices on television. Further, classifying the products as beer increases their accessibility to young people throughout the state as beer products can be sold at 1,535 off-premise locations and spirits can be sold at 718 off-premise locations, and

WHEREAS, permitting the products to be classified as beer allows the alcohol industry to receive preferential regulatory treatment, including a tax benefit – the taxes on beer amount to \$.31 per gallon compared with \$3.75 per gallon assessed to distilled spirits, an amount 12 times higher than the beer tax rate, and

WHEREAS, the Nebraska Liquor Control Commission, through a July 31, 2006, decision to reclassify alcopops as beer in Nebraska, has allowed the alcohol industry to continue to profit at the expense of Nebraska's children.

WHEREAS, the July 2006 decision by the Liquor Control Commission violates Nebraska statute 53-103(2) that states, "Spirits means any beverage which contains alcohol obtained by distillation, mixed with water or other substance in solution, and includes brandy, rum, whiskey, gin, or other spirituous liquors and such liquors when rectified, blended, or otherwise mixed with alcohol or other substances."

FURTHER, the Liquor Control Commission has acted beyond its authority and is allowing the alcohol industry to continue to violate relevant provisions of Nebraska law.

THEREFORE, we/I support efforts to reverse the July 31, 2006 decision by the Nebraska Liquor Control Commission, a decision that jeopardizes the health, safety and welfare of our young people and costs Nebraskans millions of dollars each year in lost tax revenue. We believe the Commission's decision allows the alcohol industry preferential regulatory treatment while targeting this state's most precious resource – our children.

Signature: *Larry Franzen*

Printed Name: Larry Franzen

Date: 11-21-06

Representing: City of Gothenburg  
Organization/Agency or Self


Address: 409-9th Str.

Gothenburg, NE 69138

# Which one is the "beer"?

**TONS OF RASPBERRIES WERE HARMED IN THE MAKING OF THIS PRODUCT. SERIOUSLY, WE SLAUGHTERED TRUCKLOADS OF 'EM.**

LIFE'S MORE INTERESTING TWISTED



The image shows four cans of Twisted beer. On the left, three small cans are arranged horizontally, each with a small white circle to its left. On the right, a single large can is shown vertically, also with a small white circle to its left. The cans are illuminated against a dark background.

**Twisted**  
SINCE 1978  
THE ORIGINAL  
RASPBERRY FLAVORED  
BEER



The image shows a martini glass on the left and a can of Twisted beer on the right. A circular callout bubble points to the glass. The background is dark with a subtle pattern.

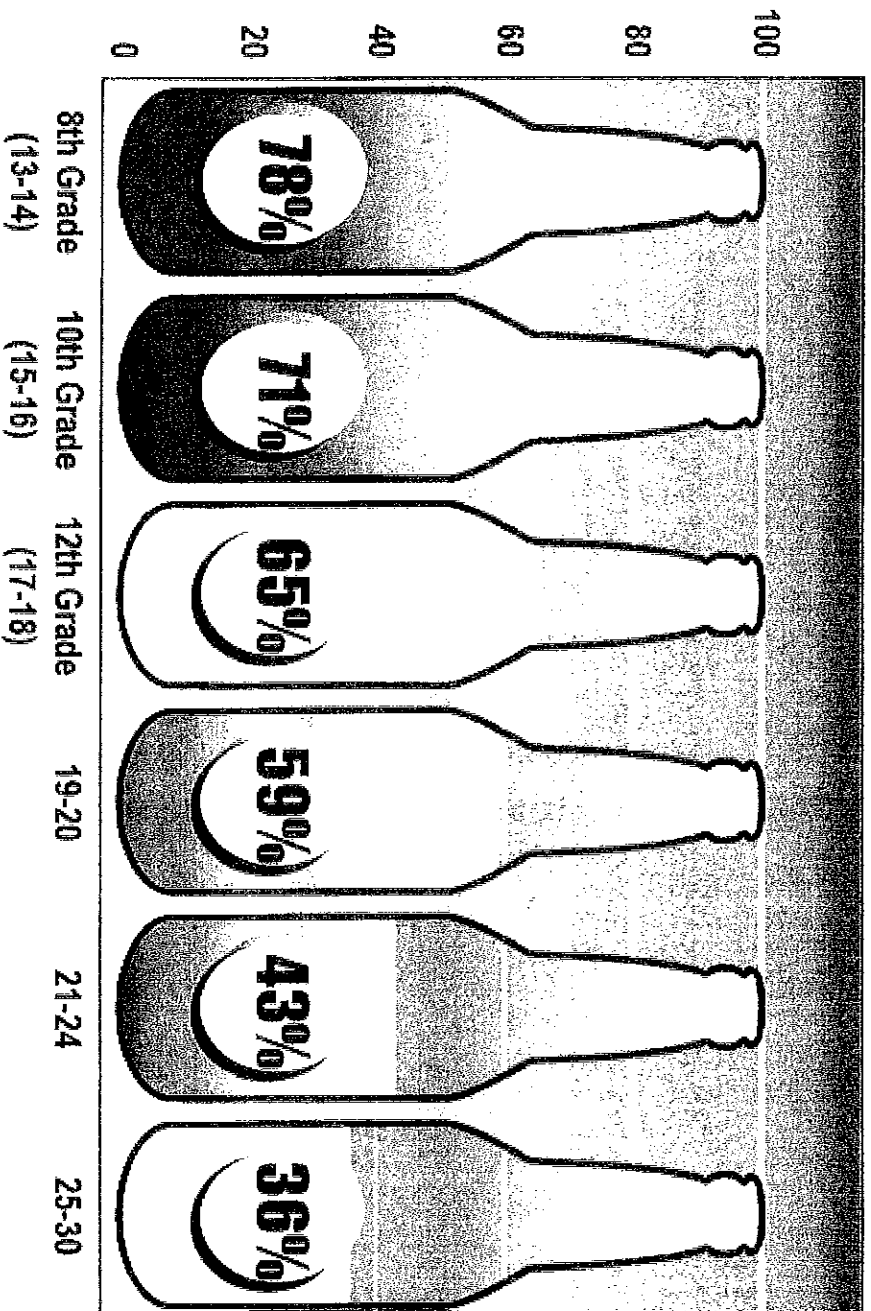
**CALL IT A TWISTED TRICK. THE ONLY BEER THAT'S AS GOOD AS IT IS DIFFERENT.**

**TRY SOMETHING TWISTED**  
and do it responsibly

# Neither

# ALCOPOPS: A Starter Drink for Teens

Percentage of Drinkers who Consume Alcopops  
By Grade/Age (30 day prevalence, 2004)



Monitoring The Future, University of Michigan

## Flavored Alcoholic Beverage Timeline in Nebraska:

**March 2003:** The Tax and Trade Bureau (TTB) issued its long-promised notice of rule change. The release summarized the TTB's analysis of the products: Of the 114 tested, 105 contained over 76 % alcohol derived from distilled alcohol; 95% have less than 25% alcohol volume from fermentation.

**October 2003:** The Nebraska Liquor Control Commission distributed a letter to wholesalers to inform them effective January 1, 2004, the products would be classified as spirits.

**November 2003:** Industry representatives attended the NLCC public presentation to request that the January deadline be delayed until July 1, 2004. Commissioners agreed to the proposal.

**April 2004:** Senator Ray Janssen and several industry representatives attended the NLCC public presentation to request that commissioners delay the implementation of reclassification for the products until the TTB makes a decision. Senator Janssen later introduced an Interim Study Resolution (LR 370) to study the classification of the products.

**December 2004:** The hearing for LR 370 was held and Project Extra Mile provided testimony asking that the products be classified as distilled spirits.



**January 2005:** The TTB made its final ruling regarding the products, adopting a rule that would allow up to 49% of the alcohol in the products to be derived from distilled spirits.

**January 2005:** LB 563 was introduced in the Nebraska Legislature. It would allow the products to be defined as a beer if it derives not more than 49% of its total alcohol content from flavorings containing alcohol obtained by distillation. The bill was referred to the General Affairs Committee.

**February 7, 2005:** A public hearing on LB 563 was held before the General Affairs Committee and Project Extra Mile provided testimony in opposition to the proposed bill. The bill advanced 7-0.

**February 15, 2005:** LB 563 was named the General Affairs Committee's priority bill. A week later, Senator Ernie Chambers added an amendment to the bill that would classify the products as spirits.

**February 25, 2005:** LB 563 was placed on Select File.

**March 14, 2005:** Senator Chambers filed a motion to bracket the bill. A day later, he added an additional 20 amendments to the proposal. It was not adopted but carried over to the 2006 legislative session. The bill did not advance in 2006.

**July 20, 2006:** The Attorney General released an opinion about the products at the request of Senator Ray Janssen. The opinion states the statute is ambiguous regarding classification and that the NLCC has authority to classify the products. The Liquor Control Commission voted to reclassify the products as beer in Nebraska on July 31, 2006.



# Flavored Alcoholic Beverages ( *Alcopops* ) Quick Facts

One-third of teen girls have tried alcopops, and one out of six has done so in the past six months.

-American Medical Association, 2004

More teen girls have drunk alcopops in the past six months than teen boys (31% vs. 19%).

-American Medical Association, 2004



75% of current eighth-grade drinkers had an alcopop in the past month.

-Monitoring the Future Survey, 2005

Classifying flavored alcoholic beverages as beer in Nebraska results in a tax benefit for the alcohol industry.

The taxes on beer amount to \$.31 per gallon compared to \$3.75 per gallon assessed to distilled spirits - a tax rate twelve times lower for beer.

-Nebraska Liquor Control Commission

In Nebraska, beer can be sold at 1,535 off-premise locations while distilled spirits can be sold at 718 off-premise locations. -NABCA Survey Book 2005 Edition

More outlets where the products can be sold leads to greater accessibility for young people under 21.



Nebraska statute states, "Spirits means any beverage which contains alcohol obtained by distillation."

-Nebraska Liquor Control Act

Of 114 flavored alcoholic beverage products tested in a 2003 analysis, 105 contained over 76% alcohol derived from distilled alcohol.

-Federal Register/Volume 68, No. 56, March 24, 2003

