

GOODSILL ANDERSON QUINN & STIFEL

A LIMITED LIABILITY LAW PARTNERSHIP LLP

GOVERNMENT RELATIONS TEAM:
GARY M. SLOVIN
ANNE T. HORIUCHI
MIHOKO E. ITO
CHRISTINA ZAHARA NOH
CHRISTINE OGAWA KARAMATSU

ALII PLACE, SUITE 1800 • 1099 ALAKEA STREET
HONOLULU, HAWAII 96813

MAIL ADDRESS: P.O. BOX 3196
HONOLULU, HAWAII 96801

TELEPHONE (808) 547-5600 • FAX (808) 547-5880
info@goodsill.com • www.goodsill.com

INTERNET:
gslovin@goodsill.com
ahoriuchi@goodsill.com
meito@goodsill.com
cnoh@goodsill.com
ckaramatsu@goodsill.com

TO: Representative Robert N. Herkes
Chair, Committee on Consumer Protection & Commerce
Representative Gilbert S.C. Keith-Agaran
Chair, Committee on Judiciary
Via Email: CPCtestimony@Capitol.hawaii.gov

FROM: Mihoko E. Ito

DATE: February 22, 2011

RE: H.B. 904, H.D.1 – Relating to Intoxicating Liquor
Hearing: Wednesday, February 23, 2011 at 2:00P.M., Room 325

Dear Chairs Herkes and Keith-Agaran and Members of the Committee:

I am Mihoko Ito, appearing on behalf of the Distilled Spirits Council of the United States ("DISCUS"). DISCUS is a national trade association representing producers and marketers of distilled spirits sold in the United States.

DISCUS supports the intent of H.B. 904, H.D. 1, which prohibits the sale or distribution of caffeinated alcoholic beverages unless labeled as an "intoxicating liquor" and accompanied by a warning about potential harmful effects of consumption. This measure is intended to regulate alcoholic beverages where caffeine has intentionally been added by the manufacturer.

DISCUS generally supports including standard drink information, including how much alcohol is in a serving, because it believes that adequate labeling that is an aspect of responsible drinking. In November 2010, the FDA issued rulings warning that beverages such as "Four Loko" or "Joose," are unsafe. This determination has resulted in an influx of legislation and regulation aimed at banning these caffeinated malt beverage products. Six other states besides Hawaii (Iowa, Illinois, Oregon, South Carolina, Texas, and Virginia) have introduced legislation to address this issue.

The FDA has clarified that its interest was restricted to regulating this new breed of alcoholic energy drinks, not coffee-flavored liqueurs (for example, Kahlua Coffee