

HB904, HD2

Measure Title: RELATING TO INTOXICATING LIQUOR.

Report Title: Beer beverage; Caffeine; Labeling and Warning

Description: Prohibits the sale or distribution of caffeinated beer beverages unless labeled as an intoxicating liquor and accompanied by a warning about potential harmful effects of consumption. (HB904 HD2)

Companion:

Package: None

Current Referral: CPN, JDL



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March 15, 2011

To: Senator Rosalyn Baker, Chair - Committee on Commerce and Consumer Protection,
Senator Brian Taniguchi, Vice Chair; and members of the Committee

From: Arkie Koehl, Council Chairman – MADD Hawaii

Re: House Bill 904, HD 2 – Relating to Intoxicating Liquor

I am Arkie Koehl, speaking in support of House Bill 904, HD 2 on behalf of the membership of MADD Hawaii.

Although there are no hard data at this time to support the widely-accepted contention that the new caffeine-laden alcohol drinks appeal strongly, if not primarily, to young people, we would support measures designed to clearly reinforce consumer awareness of the danger of impairment from such beverages. It is reasonable to assume that young people are especially susceptible to these beverages' apparent "attraction" — the caffeine doesn't delay impairment, but it does delay the user's sense of being impaired. The result is that an individual consumes higher amounts of alcohol because he or she does not feel the "clues" of becoming intoxicated. This is a lethal dynamic as has been shown in the deaths and hospitalizations of youth in a number of states across the country.

Thank you for the opportunity to testify.

United States are significantly lower than in most industrialized countries. *(CSPI)*

Two findings about who is affected by price increases are very important:

- Youth and young adults reduce their drinking in response to price increases more than adults in general. This is especially important, given that youth experience a disproportionate share of alcohol-related problems.
- According to several studies, heavy drinkers, as well as moderate and light drinkers, drink less as alcohol prices rise.

The majority of research finds that increasing the price of alcohol results in a decrease in:

1. drinking and heavy drinking
2. drinking and driving and motor vehicle crashes
3. violence and other crime
4. alcohol-related health problems such as cirrhosis

Alcohol is the number one drug problem among young people with beer being their alcohol of choice. The price of a six-pack of beer may be equal to or lower than the price of a six-pack of soft drinks. According to the National Institute on Alcohol and Alcoholism, lower taxes and prices of beer leads to higher levels and frequency of drinking among youth and increases traffic crash fatalities.

MADD would ideally like to see a portion of the money collected from higher tax rates applied to the prevention and treatment of alcohol problems. We have seen instances of DUI offenders not receiving the treatment they need because of availability or affordability and subsequently causing serious crashes resulting in death or injury.

There is extensive literature to document the relationship between alcohol taxes and alcohol problems in our society. Therefore, MADD – Hawaii strongly supports this bill as an effective means of decreasing underage drinking and reducing alcohol-related highway fatalities among people of all age groups. In addition, the revenue generated may help support the systems which respond to the costly problems associated with alcohol and may help fund the programs which prevent the problems in the first place.

Thank you for the opportunity to testify.

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TO: Senator Rosalyn Baker
Chair, Committee on Commerce and Consumer Protection
Via Email: CPNTestimony@Capitol.hawaii.gov

FROM: Mihoko E. Ito

DATE: March 14, 2011

RE: **H.B. 904, H.D.2 – Relating to Intoxicating Liquor**
Hearing: Tuesday, March 15, 2011 at 9:00 a.m., Room 229

Dear Chair Baker and Members of the Committee on Commerce and Consumer Protection:

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. 2, which prohibits the sale or distribution of caffeinated beer 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 responsible drinking and believes that adequate labeling 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 Liqueur or Mudslides). As such, DISCUS supports the amendments in H.B. 904, HD2, which clarify the definition of “caffeinated beer beverage” to which caffeine has been

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added as a food additive under the Federal Food, Drug, and Cosmetic Act. In its current draft, the language ensures that spirit products which are mixed with coffee, tea or cola – which were not the intended target of the FDA ruling – are not unintentionally included in the bill.

Thank you very much for the opportunity to testify.

Tuesday, March 14, 2011 9:00am

The Honorable Rep. Robert N. Herkes, Chair CPC
The Honorable Rep, Gilbert S.C. Keith-Agaran, Chair JUD

Dear Chairmen,

Subject: Support for HB 904

Harmful effects of Caffeinated Alcoholic Beverages

- Drinkers who consume alcohol with energy drinks are about twice as likely as other drinkers who do not mix alcohol with energy drinks to report being taken advantage of by someone else sexually, taking advantage of some else sexually, and riding with a driver under the influence.
- Caffeinated Alcoholic Beverages are marketed with youth in mind, using social media, as well as youth- based graphics and messaging.
- One typical can of "Caffeinated Beer" can have up to the equivalent of 5 alcoholic drinks and over 4 cups of regular coffee.
- Combining both a stimulant (caffeine) along with a depressant (alcohol) the stimulant can mask the effects of alcohol and cause serious harm to both the heart, and liver. In addition, the caffeinated alcoholic beverages mask the effects alcohol has on the frontal lobe, which is the part of the brain used when we need to make important decisions, whether it be driving, sex, eating or other risky behaviors.

Prevention:

The Center for Disease Control recommends laws/ policies that would restrict labeling and product placement for Caffeinated Alcoholic Beverages. For instance in Montana, since Caffeinated Alcoholic Beverages have higher alcohol content than beer, their state adopted a regulation that have classified CABs as liquor, thereby limiting the locations where these beverages can be sold. HB904 could at least warn both the consumer, and retailer about the harmful effects of Caffeinated Alcoholic Beverages.

HB904 H.D. 2 should be supported. Thank you for hearing this bill.

Kari Benes, Kaimuki, Hawaii, Age 31

Resource: <http://www.cdc.gov/alcohol/fact-sheets/cab.htm>