



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

March 21, 2022

Hon. John Schickel, Chair
Kentucky Senate Standing Committee on
Licensing & Occupations
700 Capital Ave.
Frankfort, KY 40601

Dear Senator Schickel:

This letter is submitted on behalf of the Distilled Spirits Council of the United States (DISCUS), a national trade association representing producers and marketers of distilled spirits sold in the United States, in support of HB 500, "An Act relating to the sale of alcoholic beverages." Among other changes, the Distilled Spirits Council supports two important provisions: first, codification of private barrel selection events and the ability to sell those selections to retail licensees, consumers, and wholesalers, and: second, aligning Kentucky state statutes regarding distilled spirit container limits with the largest applicable federal standard of fill size.

Private barrel selection events have been a longstanding and popular market practice in Kentucky's great distilling industry. It allows consumers and restaurants to select their own barrel of their favorite brand of Kentucky spirits – an exciting experience for any connoisseur. With Kentucky distillers producing more new and exciting products than ever, private barrel selections are a critical way to support the industry, meet consumer demand, and drive innovation. HB 500 puts an appropriate regulatory framework in place around the barrel selection process to ensure it is conducted responsibly and within the three-tier-system of beverage alcohol distribution.

Another key provision of HB 500 will bring the state in line with new federal rules issued by the Alcohol and Tobacco Tax and Trade Bureau (TTB) in December 2020 to allow additional container sizes. Specifically, the bill aligns state statute on distilled spirit container limits with the largest applicable federal standard of fill size which is 1.8 liters. Without this statutory change, the new largest containers sizes would be excluded from the marketplace to the detriment of Kentucky's businesses and consumers. The additional standards of fill provide distillers with increased flexibility, facilitate domestic and international commerce, and provide consumers broader purchasing options.

We urge the Committee's support for HB 500 and these key provisions that will help foster growth in Kentucky's spirits industry and meet consumer demand. Thank you for your consideration.

Sincerely,

Jay M. Hibbard
Senior Vice President of State Public Policy

Cc: Members of the Kentucky Senate Standing Committee on Licensing & Occupations

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