

Rule requiring breweries to take names of beer buyers on ABC agenda



Good People Coffee Oatmeal Flavored Stout, Blue Pants English Style Barleywine, Salty Nut Hop Naughty India Pale Ale, Yellowhammer Lost Highway Black Lager, Straight to Ale Brother Joseph's Dubbel, Fairhope 51 Pale Ale and Back 40 Trade Day Cuban Coffee Stout. (([Matt Wake/mwake@al.com](mailto:Matt.Wake@al.com)))

By [Mike Cason](#) | mcason@al.com

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on September 27, 2016 at 12:03 PM, updated September 27, 2016 at 3:52 PM

The Alcoholic Beverage Control Board on Wednesday is scheduled to consider a new record-keeping rule for breweries and brew pubs who sell beer for customers to take home.

A proposed rule, which was publicized by the ABC Board for public comment, required breweries and brew pubs to record the names, addresses, phone numbers and birth dates for customers who buy beer for off-premises consumption.

The ABC Board [discussed the proposed rule](#) at a work session on Sept. 12.

It has [drawn some opposition](#), including from the advocacy group Free the Hops, which called it an unnecessary invasion of privacy, and the Alabama Brewers Guild.

Board Chairman Bubba Lee said after the Sept. 12 work session that he expected the proposal to be changed to require that the sellers record the names and addresses of the customers who buy products to take home, but not their phone numbers and birth dates.

Lee said the requirement to record the names and addresses of buyers is part of the state law and not subject to the board's discretion.

The [proposal is available](#) on the ABC Board website.

The [Legislature passed a bill](#) this year allowing breweries and brew pubs to sell their beer for off-premises consumption for the first time.

That triggered the rule-making process by the ABC Board.

Under the new law, breweries and brew pubs cannot sell more than 288 ounces to a customer per day.

Rep. Anthony Daniels, D-Huntsville, who sponsored the bill, said earlier this month he thought the proposed rule was an unnecessary burden on breweries and raised privacy concerns for customers.

Nick Hudson, president of Free the Hops, said earlier this month there is no justification for taking customers' names.

Hudson said Alabama wineries have been able to sell to customers for off-premises consumption for years without any such requirement.

The proposed rule would apply to wineries and distilleries, as well as breweries and brew pubs.



Alabama's best breweries: The ultimate guide

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ABC Board to modify rule on collecting names of beer buyers



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on September 12, 2016 at 3:35 PM, updated September 12, 2016 at 10:18 PM

The Alabama Alcoholic Beverage Control Board expects to change a proposed requirement that breweries and brew pubs record the names and other personal information of customers who buy beer to take home.

The ABC Board discussed the proposed rule at a work session today and could vote on the rule at its meeting on Sept. 28.

The Legislature passed a bill this year to allow breweries and brew pubs to sell beer for off-premises consumption for the first time.

The new law limits those beer sales to a case, 288 ounces, per customer, per day.

ALABAMA ALCOHOL

The proposed regulation, part of the rule-making process triggered by the new law, would require breweries and brew pubs to record the names, addresses, phone numbers and birth dates of customers who buy beer for off-premises consumption.

The breweries would have to report that information to the ABC board every month.

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Free the Hops, a group that has successfully advocated to repeal Alabama restrictions on beer, **has called the proposed rule an overreach** and an intrusion into privacy.

The Alabama Brewers Guild **also has expressed opposition to the rule**, saying there are less intrusive ways to enforce the 288-ounce daily limit. The guild includes 22 Alabama breweries and four brew pubs.

At today's meeting, ABC Board Chairman Bubba Lee and Board Member Michael Ingram questioned the ABC staff about the proposed rule and discussed comments received from the public since the rule was proposed.

The rule applies to Alabama wineries and distilleries, as well as beer-makers.

Lee said after the work session he expects the rule to be changed to require that the sellers record the names and addresses of the customers who buy products to take home, but not their phone numbers and birth dates.

Lee said the requirement to record the names and addresses of buyers is part of the state law and not subject to the board's discretion.

Dan Roberts, executive director of the Alabama Brewers Guild, said he disagrees with the ABC Board's interpretation of the law and does not think breweries are required under the law to record the names and addresses of customers who buy for off-premises consumption.

Roberts said the intent of the law and the letter of the law can be met by the brewers keeping records of sales for on-premises and off-premises consumption without recording buyers' names.

Roberts said the law is ambiguous, however.

ABC officials said the requirement to record the names of buyers is to ensure that required taxes are paid in the same way as when the manufacturers, the breweries, sell to wholesalers, rather than directly to a consumer.

ABC Board spokesman Dean Argo said the staff would recommend changing the proposed rule to remove the requirement that the breweries, wineries and distilleries report the personal information of buyers to the ABC Board.

Instead, the proposed regulation will say the sellers will retain the names and addresses for their records, which are subject to ABC audits, Argo said.

Nick Hudson, president of Free the Hops, said there is no justification for a requirement to collect customers' names.

Hudson said Alabama wineries have been able to sell to customers for off-premises consumption for years without any such requirement.

"If I purchase liquor from an ABC store and hand them \$20 cash, they don't take my name," Hudson said.

Hudson said Free the Hops would continue to oppose the rule.

Rep. Anthony Daniels, D-Huntsville, who sponsored the bill to allow breweries to make off-premises sales, said he appreciates that the board is considering modifying the rule but still believes it puts an unnecessary burden on small businesses and raises privacy concerns for consumers.

"To me it seems that the Board is trying to fix a problem that doesn't exist," Daniels said in an email. "I would ask that they not address this issue at all unless there are reports of problems. I believe this is an undue burden for small businesses."

Updated at 5:38 p.m. to add comments from Nick Hudson. Updated at 10:18 p.m. to add comment from Rep. Anthony Daniels.

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Free the Hops says ABC proposal would 'significantly infringe' on consumer privacy



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By **Lucy Berry** | lberry@al.com

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on August 03, 2016 at 11:40 AM, updated August 04, 2016 at 5:14 PM

An Alabama grassroots organization is concerned a new proposal by the state Alcohol Beverage Control Board would infringe on consumer privacy if passed.

Free the Hops **issued a statement** this week in response to a mandate that could potentially require in-state breweries and brewpubs that sell beer for off-premise consumption to record sensitive information, such as the purchaser's name, address, phone number and date of birth. The **proposal is available for viewing now** on the ABC Board website.

Nick Hudson, president of Free the Hops, said the proposal should be "highly concerning, not only to craft beer consumers, but to all people throughout the state."

ALABAMA ALCOHOL

"As nonsensical as it might seem, this rule would essentially empower the ABC Board to come to an individual's house to confirm his or her purchase of a six pack of beer," he said. "One can't help but ask, why? The members of Free the Hops fully oppose this proposed rule. It represents an unprecedented, unnecessary, and overreaching invasion of privacy. It is something that unfairly targets beer consumers, but also, frankly, has frightening implications for everyone."

Free the Hops is asking its members and supporters to contact the ABC Board via snail mail or email by Sept. 7 to help stop the rule from going into effect.

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Dean Argo, government relations and communications manager for the ABC Board in Montgomery, said the board will consider all public input on the proposal at its next meeting, which is in late September. Argo would not comment publicly on why the record-keeping proposal is up for consideration.

"(The board) will look at that proposal and then the board can either make changes to that proposal by removing certain portions or it could choose to delay vote or it could choose to scrap the entire proposal," he said. "If the board makes changes to it, then it would have to be readvertised and public input would have to be taken at that point."

Free the Hops launched in 2004 and helped pass the Gourmet Beer Bill, which bumped the alcohol by volume in beer up from 6 to 13.9 percent in 2009. Two years later, the group celebrated the passage of the Brewery Modernization Act, which allowed breweries to sell beer on-premises like a brewpub.

In May 2012, lawmakers approved the Gourmet Bottle Bill, permitting the sale of bottles up to 25.4 ounces. Home brewing became legal in May 2013, removing Alabama from the short list of states that outlawed the practice.

Gov. Robert Bentley **[signed House Bill 176](#)** in March to allow breweries that make less than 60,000 barrels per year to sell up to 288 ounces of its beer per customer per day for off-premise consumption. The law went into effect June 1.

Argo said the ABC Board has already received a lot of feedback on the proposed rule Free the Hops is fighting.

"All of that public input will be considered by the board before any action is taken," he said. "Free the Hops and these other groups that are soliciting opposition, they're merely going through that process of providing the board public input."

Alabama

New booze regs could kill Alabama brewers, vintners and distillers



By **John Archibald** | jarchibald@al.com

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on August 05, 2016 at 3:10 PM, updated August 05, 2016 at 4:38 PM

Buyer: *I'd like a bottle of red, please.*

Seller: *A fine choice. It is plummy and supple, with a tantalizing honeysuckle nose. I'll be happy to sell it to you, but I need you to do a few things.*

Write down your name and address.

And your date of birth.

And your telephone number.

And write legibly, because all this is subject to verification by the Alabama Beverage Control Board which – if you didn't know it – is part of the Alabama Law Enforcement Agency.

Just raise your right hand and swear

Buyer: *Um. Thanks anyway, but I think I'll go to Publix.*

Wow. It is hard to imagine in a state where – almost to a person – political leaders like to tell you they are opposed to burdensome regulation.

And it's not just wine. A rule now under consideration by the ABC Board would force Alabama makers of craft beer and wine and spirits to interrogate customers who buy their products to consume off premises.

"Off - premise sales reporting shall include the purchaser's name, address, telephone number, date of birth, and shall be subject to verification by the ABC Board," the proposed rule states.

For buying a bottle.

Just like you can buy at the Mega Mart down the street.

It wouldn't apply to beer and wine and spirits made and sold out of state. It wouldn't apply to the Budweisers and Busches of the world. It wouldn't apply to hooch shipped in and sold at grocery stores or quick stops, and it wouldn't apply to those who want to snag a bottle at their ABC store.

But for those Alabama businesses who struggle to stay in Alabama business brewing or distilling or bottling their product, it is a high gravity punch in the head.

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It staggers the whole industry.

It boggles the mind in a state where politicians not only make hay blabbering about regulation, but about Alabama manufacturing and jobs, jobs jobs.

It is all happening **because the law** that originally gave approval for off-premise sales limited the amount of alcoholic beverages that could be sold each day to each customer.

If the law limits the amount, auditors at ABC figured, there must be some way to hold sellers to the law. Thus, the idea of the requirements was born.

Inside the ABC Board they say the blowback has already been so harsh that it is unlikely the proposal will pass.

Still, it will be considered by the board Sept. 7, and decided by Sept. 28. Right now is the comment period, when lawmakers and board members hear the thoughts of those affected.

And boy, they are hearing from them.

Winemakers and beer brewers and distillers have flooded politicians with mail and email by the hundreds.

Jim Eddins, a crusty old marine and vintner in South Alabama who has struggled to make and sell his wine in the face of religion and regulation and restrictions, was apoplectic.



AL craft beer advocates vow to work with ABC on proposal

"This is systemic monopolistic effort and is not just the efforts of some lowly bureaucrat," he said. "This is incremental constraint of trade, suppression of competition using simple regulations to overburden small businesses. The consumer info is of no use to the state, this info is not collected or reported by importers and their mega-mart Retailers for 99.6% of the Alabama market."

He's right.

It is hypocritical and burdensome and ridiculous on its face.

It favors out-of-state booze dealers, and leaves Alabama businesses with nothing to look forward to but a hangover.



Alabama winemaker to religious objectors: 'Get over it'

20-X- 9-.04. Record Keeping Requirements for In-State Manufacturers of Beer, Wine and Spirits, and Brew Pubs

- (1) Manufacturer licensees engaged in the manufacture of less than 60,000 barrels of beer per year; and brew pub licensee engaged in the manufacture of less than 10,000 barrels of beer per year; and wineries engaged in the manufacturing of less than 50,000 gallons of table wine per year; and any licensed winery association operating an off-site tasting room; and manufacturer licensees engaged in the manufacture of spirits shall:
 - (a) Maintain the beer and the wine label approval documentation from the Board's licensing and compliance division and for spirits the listing code with documentation from the Board's product management division.
 - (b) Beer and spirits manufacturers shall file with the ABC Board prior to the twentieth day of each month and wine manufacturers prior to the tenth day of each month, a full and accurate report of the previous months sale containing the following:
 1. Daily retail sales of all beer, malt-based beverages, table wine, or liquor sold for consumption that includes the number of bottles, the number of cases, the number of containers per case, and the size of the container.
 2. The date of the sale, an invoice or transaction number and a notation indicating an on – premise or an off- premise sale.
 3. Off – premise sales reporting shall include the purchaser's name, address, telephone number, date of birth, and shall be subject to verification by the ABC Board.
- (2) Beer manufacturers shall report and pay appropriate tax due to the ABC Board prior to the twentieth day of each month following the month of production and or sale of product:
 - (a) The amount of beer produced on site and the amount of beer produced by a parent, subsidiary, affiliate or contract brewery.
 - (b) The amount of beer donated and delivered to a licensed charitable special event, the date of the event, the venue, the name of the charity receiving the donation, and the ABC license number assigned to the event.
- (3) Brewpub licensees shall report and pay appropriate tax due to the ABC Board prior to the twentieth day of each month following the month of production and or sale of product:
 - (a) The amount of beer brewed on site.
 - (b) The amount of beer donated and delivered to a licensed charitable special event, the date of the event, the venue, the name of the charity receiving the donated beer, and the ABC license number assigned to the event.
- (4) Wine manufacturer licensees shall report and pay appropriate tax due to the ABC Board prior to the fifteenth day of each month following the month of production and or sale of product:
 - (a) The amount of wine produced on site.
 - (b) The amount of wine donated and delivered to a licensed charitable special event, the date of the event, the venue, the name of the charity receiving the donated wine, and the ABC license number assigned to the event.
- (5) Spirits manufacturer licensees shall report the amount of spirits produced on site and pay appropriate tax due to the ABC Board, prior to the fifteenth day of each month following the month of production and or sale of product.

Author: ABC Board

Statutory Authority: *Code of Ala. 1975*, §§ 28-3-7 through 28-3-11; 28-3-49

History: