March 19, 2019

United States House of Representatives Committee on Appropriations Room H-305, The Capitol Washington, DC 20510 United States Senate Committee on Appropriations Room S-128, The Capitol Washington, DC 20510

Dear Chairwoman Lowey, Chairman Shelby, Ranking Member Granger and Vice Chairman Leahy:

We are writing to urge Congress to fund the Alcohol and Tobacco Tax and Trade Bureau (TTB) in Fiscal Year (FY) 2020 at \$139 million. This requested level of funding allows for the agency to maintain its current duties and includes two-year advanced funding of formula and Certificates of Label Applications (COLA) processing and approvals, which is necessary to provide the beverage alcohol industry continuity of business operations in this current time period of explosive growth. The funding level also maintains the strict enforcement of trade practices as required by law.

In recent years, the number of businesses that the TTB regulates has skyrocketed. Ensuring that key responsibilities of the TTB are properly funded for two years will ensure TTB can maintain the personnel necessary to conduct its responsibilities as the nation's primary federal alcohol regulator. The agency's ability to respond swiftly and properly to changes in the alcohol industry has a direct impact on jobs, consumer protection, the innovation of new products and the collection of federal excise taxes.

In addition to its important tax collection role, which results in \$406 collected for every dollar spent, TTB is responsible for enforcing the Federal Alcohol Administration (FAA) Act, including its provisions to educate and preclude unfair trade practices. TTB ensures industry integrity through a comprehensive system of licensing and background checks for its more than 92,000 permittees and agency officials also review 272,000 labels and thousands of formulas each year. A fully-funded TTB can effectively enforce federal alcohol regulations.

The beverage alcohol industry needs a well-funded TTB to operate successfully. Thank you for your consideration of this important issue and please let us know if we might be of any assistance to you in this matter.

Jim McGreevy, President & CEO Beer Institute

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