





















April 27, 2020

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 fully fund the Alcohol and Tobacco Tax and Trade Bureau (TTB) within the Fiscal Year (FY) 2021 Financial Services and General Government Appropriations Bill at \$145 million. This requested level of funding includes the Administration's requested funding level for FY2021 and adds additional 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 incredible growth. The funding level also maintains the strict enforcement of trade practices as required by law.

As you know, the COVID-19 crisis has significantly affected businesses across the United States and the beverage alcohol industry is no exception. We are deeply appreciative of TTB's efforts to mitigate the impact of COVID-19 on the industry by postponing due dates for federal excise tax (FET) payments on domestic products and several other filings, as well as for providing critical, timely guidance during the crisis.

Critically, this funding request also reflects that in recent years, the number of businesses that the TTB regulates has skyrocketed. Ensuring that the TTB is 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 \$339 collected for every dollar spent on collection, TTB is responsible for enforcing the Federal Alcohol Administration (FAA) Act, including its provisions to educate those regulated and protect against unfair trade practices. TTB is tasked with ensuring industry integrity through a comprehensive system of licensing and background checks for its more than 99,800 permittees and agency officials also review over 198,700 labels and 20,300 formulas each year. A fully funded TTB can better enforce federal alcohol regulations.

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.

Jamo a. Mc Dry ... Jim McGreevy, President & CEO Beer Institute

Robert P. "Bobby" Koch, President & CEO

Wine Institute

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Michelle Korsmo, President & CEO Wine & Spirits Wholesalers of America

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