



Terry E. Branstad *Governor of Iowa*
Kim Reynolds *Lieutenant Governor*
Stephen Larson *Administrator*

MEMORANDUM

TO: Iowa General Assembly
FROM: Alcoholic Beverages Division
RE: Powdered Alcohol Prohibition
DATE: January 2, 2015

This bill prohibits the sale or offering for sale of alcoholic liquor in powdered or crystalline form.

BACKGROUND:

On April 20th, 2014, the Federal Tobacco, Tax, and Trade Bureau (TTB) approved a powdered form of alcoholic liquor for sale in the United States, but quickly rescinded the approval stating that the decision was made in error.

Powdered or crystalline alcohol products are made by freeze drying and pulverizing liquid alcohol. The product is then packaged in a sealed pouch, making it more portable and easier to transport than traditional bottled alcohol. The makers of the powdered alcohol say that the product is intended for those with active lifestyles, such as hikers or backpackers. Its opponents say the product is dangerous and poses an unnecessary risk to public health, due to improper mixing, using it as an additive to other alcoholic beverages or food items, or by nasal ingestion (snorting).

The Alcoholic Beverages Division has the exclusive right of importation into the state of all forms of alcoholic liquor, including alcoholic liquor in solid form. This bill expands the current definition of alcoholic liquor to include powder or crystal alcohol to the forms of liquor that the state regulates. It also prohibits the sale or possession by licensees of alcoholic liquor in powder or crystal form in Iowa, should the TTB approve the product in the future for sale in the United States.

Similar legislation has been introduced in New York, South Carolina, Minnesota, and Ohio.

SECTION BY SECTION OVERVIEW OF THE BILL:

Section 1 amends the definition of “Alcoholic liquor” or “intoxicating liquor” in Iowa Code § 123.3 to also mean a powder or crystal containing spirits.

Section 2 amends Iowa Code § 123.49(2) by adding a new subsection prohibiting selling or otherwise providing powdered or crystalline alcohol for consumption.