



## Assembly Bill 1554 (Irwin) Powdered Alcohol

### SUMMARY

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This bill would define powdered alcohol in statute as “alcohol that is prepared or sold in a powder or crystalline form for either direct use or reconstitution.” The bill would also prohibit the sale, distribution, manufacture, purchase, possession or use of powdered alcohol.

### BACKGROUND

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In March 2015, the U.S. Alcohol and Tobacco Tax and Trade Bureau (TTB) approved labels for a product called Palcohol that can be added to water to make an alcoholic beverage, allowing the product to be sold legally in the United States, unless otherwise prohibited.

Powdered alcohol is created through an encapsulation process in which alcohol is absorbed by a sugar derivative called Dextrin, which can hold 60% of its weight in alcohol.<sup>1</sup> Palcohol packets weigh about an ounce and if the consumer adds six ounces of water to the packet, as directed, the alcohol content will be “equal to a standard mixed drink.”<sup>2</sup>

Powdered distilled spirits are already taxed in California in the same manner and to the same extent as other distilled spirits in Title 18 of the California Code of Regulations, Article 6, Classification of Particular Beverages, Regulation 2557.<sup>3</sup>

As of October, 25 states have banned powdered alcohol. Alabama, Alaska, Connecticut, Georgia, Hawaii, Kansas, Illinois, Indiana, Louisiana, Maine, Nebraska, Nevada, New York, North Carolina, North Dakota, Ohio, Oregon, South Carolina, Tennessee, Utah, Vermont, Virginia and Washington statutorily prohibit the sale of powdered alcohol. Maryland and Minnesota have temporary one-year statutory bans. Colorado, Delaware, Michigan and New Mexico have included powdered alcohol in their statutory definitions of alcohol so that the product can be regulated under their existing alcohol statutes<sup>4</sup>.

### NEED FOR THE BILL

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According to the latest CDC data, more than 10,500<sup>5</sup> people die in California annually from excessive alcohol use and in 2006 excessive alcohol use cost California nearly \$32 billion.<sup>6</sup> Concerns have been raised that powdered alcohol would add to these numbers.<sup>7</sup>

Health and safety concerns that have been associated with powdered alcohol include: low cost; easy youth access to the packets; similar size and shape of packets to nonalcoholic children's drink packets; potential mixing with a small amount of water to make a single very potent drink; mixing powdered alcohol with beer or alcopops; mixing powdered alcohol with energy drinks or other youth-oriented products; concealment by underage drinkers attending events/locations where alcohol is prohibited;

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<sup>1</sup>[http://www.nabca.org/assets/Docs/Research/Studies/Powdered\\_Alcohol\\_Paper\\_Dec\\_2014\(2\).pdf](http://www.nabca.org/assets/Docs/Research/Studies/Powdered_Alcohol_Paper_Dec_2014(2).pdf)

<sup>2</sup><http://www.palcohol.com/f.a.q..html>

<sup>3</sup><http://www.boe.ca.gov/lawguides/business/current/btlg/vol3/abtr/abtr-all.html#2557>

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<sup>4</sup><http://www.ncsl.org/research/financial-services-and-commerce/powdered-alcohol-2015-legislation.aspx>

<sup>5</sup>[http://nccd.cdc.gov/DPH\\_ARDI](http://nccd.cdc.gov/DPH_ARDI)

<sup>6</sup><http://www.cdc.gov/features/costsofdrinking/index.html>

<sup>7</sup>[https://www.alcoholjustice.org/images/Letters/3-18-15\\_CA-Leg\\_Palcohol\\_Oppose\\_Ltr-FINAL2.pdf](https://www.alcoholjustice.org/images/Letters/3-18-15_CA-Leg_Palcohol_Oppose_Ltr-FINAL2.pdf)



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ingestion of the product by snorting or eating, and easy theft.

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Powdered alcohol products manufactured in other countries, such as Subyou<sup>8</sup> and Booz2Go<sup>9</sup>, have been marketed squarely at teenagers with slogans emphasizing how cheap and inconspicuous the powdered products are.

The original website of Palcohol boasted that powdered alcohol can be smuggled into concerts and sporting events, added to food, and even snorted to “get drunk almost instantly”<sup>10</sup>. The site has since been updated and Palcohol reports that they have added enough volume to the powder that snorting would no longer be effective<sup>11</sup>.

### SUPPORT

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Ventura County Sheriff's Department  
McGeorge Legislative & Public Policy Clinic  
Santa Barbara Fights Back Coalition  
Los Angeles Drug and Alcohol Policy Alliance  
California Alcohol Policy Alliance and Alcohol Justice  
Health Officers Association of California

### CONTACT

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<sup>8</sup> <http://www.dw.com/en/experts-warn-about-powdered-alcohol/a-1596657-1>

<sup>9</sup> <http://www.reuters.com/article/2007/06/06/us-dutch-drink-odd-idUSPAR64994620070606>

<sup>10</sup> <http://gawker.com/powdered-alcohol-coming-to-a-liquor-store-near-you-1565094422>

<sup>11</sup> <http://www.forbes.com/sites/alicegwalton/2015/03/13/powdered-alcohol-palcohol-sounds-like-an-accident-waiting-to-happen/>