

April 8, 2025

The Honorable Dade Phelan, Chair
The Honorable Senfronia Thompson, Vice-Chair
1100 Congress Avenue
Austin, TX 78701

Chairman Phelan, Vice-Chair Thompson and members of the committee:

My name is Corey Staniscia, and I am Vice President of State Government Relations for the Distilled Spirits Council of the U.S., the national trade association representing leading producers and marketers of distilled spirits products. I am testifying in support of HB 4077, a bill to allow low alcohol-by-volume (ABV) spirits coolers or ready-to-drink cocktails (RTDs) to be sold alongside beer and wine in grocery and convenience stores.

Adult consumers in Texas are choosing spirits-based RTDs because of their convenience, taste, variety and quality, so it's no surprise these products are leading the spirits category in both market growth and consumer popularity. Unfortunately, Texas consumers have to make a special trip to pick up these products.

Right now, there are popular RTDs, made with malt or fermented sugar, being sold in grocery and convenience stores in Texas. Those popular malt-based RTD seltzers, specifically White Claw or Truly, sit at 5.0% ABV. Our popular spirit-based RTDs happen to be made with vodka, not malt, and surprising to many, have a lower ABV of 4.5%. Unfortunately, these low ABV RTDs are currently banned from being sold at grocery and convenience stores despite having less alcohol than beer and wine products already sold there. This makes no sense.

Alcohol is alcohol. It should not matter whether the beverage is made with alcohol from grapes, malt or grains – the ingredient should not be the determining factor on where these products can be sold. While most RTDs are around 4.5% to 7% ABV, grocery stores and convenience stores are permitted to sell beverages with up to 17% ABV which includes wines and high ABV beers. Consumers want low-alcohol, pre-canned cocktails made with real spirits to be sold where they already get other alcohol products.

In a national [survey](#), **an overwhelming majority – 86 percent – of consumers agree that spirits-based RTDs should be sold where other RTD beverages are available for purchase.** In another [study](#) published by Public Opinion Strategies and focused on Texas specifically, 75% of Texans support a proposal to change the law to let licensed retailers sell ready-to-drink spirit coolers at the same places as beer, wine and hard seltzers.

While beer and wine can be sold in more than 30,000 stores in Texas, there are only about 3,500 package stores selling spirits RTDSs in Texas which are only allowed to open 66 hours a week.

There are about 22 million Texans over the age of 21. This lack of market access based solely on the ingredient used in these products is anti-business, anti-free market, and protectionism at its finest. The government should not be on the business of picking winners and losers in the market.

HB 4077 is about allowing the free market to work and giving consumers equal access to similar products. The organizations that oppose this bill oppose it simply to keep out competition, to restrict consumer access and to give their business model a government-protected, competitive advantage.

We ask you to support HB 4077, and I am happy to answer any questions you may have.

Sincerely,

Corey Staniscia
Vice President of State Government Relations
Distilled Spirits Council of the United States