



For Immediate Release: May 8, 2007

Wine Retailers Say Lawsuit inevitable if Anti-Wine Shipping Legislation Passes

Sacramento, Calif—Specialty Wine Retailers Association announced today that they believe a lawsuit against the State of Illinois and the Illinois Liquor Control Commission is both inevitable and proper if legislation passes prohibiting Illinois consumers from purchasing wine from out-of-state wine retailers. Legislation currently moving through the Illinois Assembly (HB 429) would unconstitutionally allow in-state wine merchants to ship wine to Illinois residents while excluding out-of-state wine merchants from doing the same.

The State of Illinois has allowed consumers to purchase wine from out-of-state wine merchants since 1992. The proposed legislation violates the spirit and intent of the 2005 *Granholm v. Heald* Supreme Court decision that ruled laws on wine shipping must treat in-state and out-of-state shippers equally:

“This Court has long held that, in all but the narrowest circumstances, state laws violate the Commerce Clause if they mandate ‘differential treatment of in-state and out-of-state economic interests that benefits the former and burdens the latter’... States may not enact laws that burden out-of-state producers or shippers simply to give a competitive advantage to in-state businesses....The Twenty-first Amendment does not supersede other provisions of the Constitution and, in particular, does not displace the rule that States may not give a discriminatory preference to their own producers....If a State chooses to allow direct shipment of wine, it must do so on evenhanded terms...”

“There is no legal, state or consumer interest that is protected by stripping consumers of their long-held right to purchase wine from out-of-state retailers,” said SWRA Executive Director Tom Wark. “Lessening consumer choice and inviting an inevitable lawsuit seems a poor trade-off for the chance to pass protectionist legislation on behalf of the State’s alcohol distribution industry. Consumers across the state have been telling their legislators this for the better part of a month.”

The pending legislation could be easily amended by including language that allows out-of-state wine merchants to apply for the proposed wine shipping permit and by assuring that retailer permit holders are required to remit all appropriate taxes and submit themselves to Illinois legal jurisdiction. SWRA has said on a number of occasions it is more than happy to agree to these conditions.

###

Contact:

Tom Wark, Specialty Wine Retailers Association
707-935-4424 • twark@specialtywineretailers.org