

NEWS:

Wine Home Shipping Bill Clears House, **Heads to Senate**

JUNE 8, 2018 -- A bill seeking to allow wineries to ship their product directly to consumers in Delaware has cleared a major hurdle.

House Bill 165 was approved by the House of Representatives on Thursday, 25 to 13 (3 not voting). Some version of the measure has been introduced in the chamber in the last four legislative sessions. This is the first time it was brought to a successful vote.

Delawareans wishing to buy wine not found on the shelves of their local stores can only legally obtain it through a process that channels all alcoholic beverage sales through a three-tier system of distributors, wholesalers, and retailers that was established following Prohibition.

"After a decade of working on this issue, I was glad to see the bill win approval in the House," said State Rep. Deborah Hudson, R-Fairthorne, one of the legislation's prime sponsors. "It is not a perfect measure by any means, but it represents positive progress towards giving Delawareans the same access to a convenience already enjoyed by more



State Rep. Deborah Hudson

that 90-percent of Americans. With regard to home wine shipping, our state needs to join the 21st Century and stop clinging to an anachronism from the 1930s."

The most recent version of the bill, authored by <u>State Rep. Paul Baumbach, D-Newark</u>, contains the following provisions:

- Require carriers, like FedEx and UPS, to obtain special licenses to handle wine shipments.
- Mandate special labeling of the packages.
- Not allow direct sales if the wine can be acquired by a Delaware retailer.
- Require licensing and registration of wineries shipping their products to Delaware.
- Imposed the same state alcohol taxes levied on retail sales.
- Restrict deliveries to adults over the age of 21 that signed for the package.
- Limit households to no more than three cases of wine per year.

According to the Wine Institute, a trade group representing more than 1,000 wineries, 44 states currently allow some form of direct-to-consumer wine shipping, including Pennsylvania and Maryland.

The bill now heads to a Senate committee for consideration. Only three weeks remain in the 149th General Assembly.