

POSITION ON WINE SHIPPING LEGISLATION
PA LCB WINE ADVISORY COUNCIL
Presented to the Liquor Control Board on December 15, 2009

- The members of the Wine Advisory Council have consulted with representatives of their various stakeholder constituencies, and the Council is of the opinion that the majority of individual wine consumers in Pennsylvania believe that the practical and legal ability of Pennsylvania consumers to purchase, obtain and enjoy wine should not be limited or prohibited simply by virtue of residence in the Commonwealth.
- The Wine Advisory Council recognizes that the current state of Pennsylvania law regarding wine shipping is unclear to most individuals as a result of the United States Supreme Court's ruling in *Granholm v. Heald*, 544 U.S. 460 (2005), and the Pennsylvania cases that followed in the wake of *Granholm*.
- In order to put Pennsylvanians on equal footing with wine consumers in other states, the Wine Advisory Council believes that the existing laws must be changed to explicitly provide for direct shipment of wine to the residences of consumers located in Pennsylvania from licensed wineries and other licensed vendors located out-of-state, as well as from in-state wineries and from the Liquor Control Board.
- The Wine Advisory Council is aware that there are currently several pieces of proposed legislation being discussed in Harrisburg that would address the ability of Pennsylvania residents to legally procure wine from both out-of-state and in-state sources.
- While the Wine Advisory Council is not, at this time, specifically endorsing or supporting any of the proposed legislative bills, the Council believes that whatever bill is ultimately enacted must provide for the following:
 - Direct shipment to Pennsylvania consumers by wineries and wine vendors licensed to ship wine in other states as well as wineries and wine vendors located in Pennsylvania, including the Liquor Control Board.
 - A simple and inexpensive direct shipping licensing process that does not create a barrier to participation by small wineries and vendors.
 - Responsibility for age verification of the recipient imposed on the shipping winery or vendor (upon ordering) and its delivery service (upon delivery), not the consumer.
 - Liberal but reasonable limits on the maximum amount of wine that can be shipped to an individual consumer by a single licensed winery or vendor.
 - A clear and precise statement of taxes due to the Commonwealth for wine shipped to consumers in Pennsylvania, if any.

- To satisfy the requirements imposed by *Granholm*, the uniform application of tax obligations currently imposed on in-state wine producers to out-of-state wine producers.
- No discrimination against in-state wineries with respect to taxes or otherwise.
- Responsibility for determination of applicable taxes and remittance of taxes due imposed on the shipping winery or vendor, not the consumer.
- No discrimination against larger wineries or vendors, including discrimination achieved by setting maximum total production or sales limits or any other factors that prohibit eligibility for direct shipping licensing, or by escalating licensing fees or taxes for larger wineries and vendors on the basis of their total production or sales volume.
- A clear and precise statement regarding the ability of wineries and vendors to ship to Pennsylvania residents wine also available for retail sale through the Liquor Control Board.
- A requirement for periodically submitting to the Liquor Control Board detailed accounting reports of direct shipments to Pennsylvania consumers imposed on the shipping winery or vendor.

This statement represents the consensus position of the Wine Advisory Council after deliberation and voting by the Members.

Officers	Members
Timothy Wolfson, President William Kohl, Vice President Marnie Olds, Secretary	Raymond Consoli Thomas Crane William Eccleston John Landis Shelly Margolis Melissa Monosoff Alex Sebastian Daniel Tunnell Ernest Valtri

Wine Advisory Council members are appointed by the Liquor Control Board but are not employees or agents of the Liquor Control Board. This statement does not represent the opinion of the Liquor Control Board, rather, it is the independent opinion of the Wine Advisory Council.

Our Mission Statement: The Council was formed to bring the concerns and opinions of Pennsylvania wine consumers, restaurateurs and other stakeholders to the direct attention of the state’s Liquor Control Board. On behalf of the groups we represent, the Council believes that it is in the best interests of all Pennsylvanians that purchasing wine and conducting wine-related business should be no more difficult, onerous or costly than in other American states.

We are committed to advancing this goal and welcome the opportunity to freely share advice and provide feedback to the members of the Board.