



WINE INSTITUTE
THE VOICE FOR CALIFORNIA WINE

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Legislators Support Compromise on Winery Shipping Bill

Group hopes General Assembly moves swiftly

SPRINGFIELD (April 26, 2007) – Today, Rep. Edward Acevedo (D-Chicago), Rep. Lou Lang (D-Skokie) and Rep. Marlow Colvin (D-Chicago) stood side-by-side with members from the Illinois Grape Growers and Vintners Association (IGGVA), the Beverage Retailers Alliance of Illinois (BRAI), the Associated Beer Distributors of Illinois (ABDI), the Wine and Spirit Distributors of Illinois (WSDI) and the Wine Institute to support legislation that would regulate shipments of wine for both in-state and out-of-state wineries.

“If the General Assembly does not pass this legislation, Illinois will be in direct conflict with the Supreme Court decision,” said Rep. Acevedo, the bill’s sponsor.

Rep. Lang, who has been working on this issue since January 2006, and the sponsor of the compromise House Amendment #2, states that a winery will be allowed to ship up to 12 cases of wine per person per year, after obtaining a winery shipper’s license and requires the shipper to pay Illinois’ excise and sales taxes. The compromise includes safeguards to prevent shipments to underage individuals and gives the Liquor Control Commission the power to conduct Internet stings and revoke the license of violators.

“Since last year, dozens of meetings have been held to come to an agreement as to how to best address the Supreme Court’s decision,” says Rep. Lang. “I am very happy to report that a compromise and agreement has been reached.”

In addition, the bill will allow small wineries, producing less than 25,000 gallons of wine per year, to sell up to 5,000 gallons of their wines per year directly to retailers.

“This agreement allows us to continue the development of the wine industry in Illinois, something we’ve been doing for the past 15 years,” says Paul Renzaglia, IGGVA President. “It preserves the ability of small wineries to create a market for their wines.”

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Under the compromise, Illinois will be in compliance of the U.S. Supreme Court decision in *Graholm v. Heald*, which ruled that states may not ban or severely limit the shipment to consumers of out-of-state wine while simultaneously authorizing shipments by in-state producers (may not discriminate).

Rep. Colvin also commended the involved parties for reaching an agreement and putting aside their differences. “When this bill was first heard in committee, I directed all interested parties to attempt to come to an agreement,” says Rep. Colvin. Now, I urge the House Rules Committee to assign this amendment to my committee so that we can address this agreement as soon as possible.”

Jerry Rosen, executive director of the Beverage Retailers Alliance of Illinois, who was instrumental in the compromise, addressed the debate about out-of-state retailers’ rights to ship wine into Illinois.

“Legislative debate never mentioned out-of-state retailers being given the right to ship wine into Illinois,” says Rosen. “There’s a story about faulty logic that goes a dog is an animal, a cat is an animal, therefore a dog is a cat...that’s faulty logic. The out-of-state retailers are using the same faulty logic. Wineries can sell their product to the consumer and retail liquor stores can sell liquor products to the consumer, therefore retail liquor stores are wineries.”

The Associated Beer Distributors of Illinois is a not for profit business trade association that represents Illinois licensed beer distributors who sell, deliver and provide customized inventory management of national and local beer brands to all Illinois licensed retailers. **The Illinois Grape Growers and Vintners Association** is a non-profit organization dedicated to developing the viticulture and enology interests of Illinois through information exchange and cooperation among Illinois grape producers and vintners. **The Beverage Retailers Alliance of Illinois** represents liquor retail package stores in Illinois. **The Wine & Spirits Distributors of Illinois** represents its member wholesalers who buy from producers and sell to retailers. **The Wine Institute** is the voice for California wine.

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