



WRITTEN TESTIMONY PROVIDED TO THE
VETERANS AND LEGAL AFFAIRS COMMITTEE

LD 1093

OFFERED BY THE NATIONAL ASSOCIATION OF WINE RETAILERS

APRIL 16, 2021

The National Association of Wine Retailers (NAWR) supports LD 1093 and urges members of the Veterans and Legal Affairs Committee to support the bill for the following reasons.

LD 1093 ALLOWS RETAILER WINE SHIPMENT IDENTICAL TO WINERY SHIPMENTS

1. LD 1093 would allow Maine consumers to receive shipments of wine from out-of-state wine retailers, Internet wine clubs, wine-of-the-month clubs and wine auction houses under the same conditions out-of-state wineries currently ship wine to Maine consumers.
2. Upon receiving a wine shipping permit, out-of-state retailers would be required to submit reports to the state of Maine, submit sales and excise taxes on all shipments, assure identification is provided by the recipient of the wine shipment proving they are 21 years of age or older, and submit to Maine legal jurisdiction, just as out-of-state wineries must do.

LD 1093 PROVIDES MAINE CONSUMERS WITH GREATER ACCESS TO PRODUCTS

1. LD 1093 would provide Maine consumers with access to hundreds of thousands of wines not currently available to them through traditional distribution channels.
2. LD 1093 would provide a level playing field and deliver on a promise of free trade by allowing out-of-state retailers to ship wine to Maine consumers just as it allows in-state retailers to do the same thing.

LD 1093 DOES NOT HARM MAINE RETAILERS

1. Experience in other states shows that consumers almost always seek the wines they want locally before buying the wine from out-of-state retailers and paying the expensive shipping costs to obtain the wines they want. If the wine is not available in-state, its purchase out-of-state does not represent a lost sale for in-state retailers.
2. Experience in other states shows that only a very small number of wine retailers will ship into a state in comparison to the number of out-of-state wineries that will obtain a shipping permit and ship into the state.

LD BENEFITS THE STATE OF MAINE

1. Maine can expect between \$380,000 and \$400,000 in additional sales tax to be generated by wine shipments from out-of-state retailers in the first 12 months of legal shipments from out-of-state retailers. This estimate is based on the amount of wine currently being shipped to Mainerers from out-of-state wineries and the assumption that a similar number of shipments will be received from out-of-state retailers.
2. Maine risks no constitutional challenge to its laws by providing that both in-state and out-of-state retailers may ship to Maine consumers.

ABOUT THE NATIONAL ASSOCIATION OF WINE RETAILERS

The National Association of Wine Retailers is a coalition of brick and mortar wine retailer, wine-of-the-month clubs, Internet-based retailers and wine auction houses that advocate for free trade in wine, a modernization of wine regulations to meet current market conditions and a well-regulated marketplace that provides an even playing field for all participants in the wine regulatory system.

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