NAWR
NATIONAL ASSOCIATION OF WINE RETAILERS

National Association of Wine Retailers
Written Testimony Concerning SB 1088

House Commerce and Trade Committee
December 6, 2016

The National Association of Wine Retailers (NAWR) strongly opposes SB 1088 due to its discrimination against interstate commerce. It urges members of the House Commerce Committee to oppose the bill as well as consider simple amendments that would create a win/win/win for Consumers, the State and free trade.

1. Interstate Commerce Discrimination

SB 1088 discriminates against interstate commerce by allowing Michigan-based wine retailers to ship wine directly to Michigan consumers while prohibiting those same consumers from receiving wine from out-of-state retailers. A Michigan Federal Court has already deemed this kind of protectionist scheme unconstitutional. However, it's also offensive to the notion of Free Trade and punishes Michigan consumers by preventing them from procuring the wines they want from legitimate and licensed wine retailers across the country.

2. Denies the State Access to Important Tax Revenue

By discriminating against interstate commerce through a prohibition on sales and shipments of wine from out of state retailers, SB 1088 denies the state access to important tax revenue that would be paid to the state by out-of-state retailers were they licensed to ship to Michigan retailers just as in-state wine retailers are allowed.

3. Amend SB 1088 to Allow Out-Of-State Wine Shipments and Maximum Tax Revenue

By amending SB 1088 to allow both Michigan and out-of-state wine retailers to sell and ship wine directly to Michigan residents the state avoids constitutional issues, creates a new source of tax revenue and provides the states wine consumers with the means to access the wine they desire.

About NAWR

The National Association of Wine Retailers is a national organization of wine stores, internet wine retailers, wine auction houses and wine clubs.

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