Supermarket Wine Bill Advances in Tenn. House

ERIK SCHELZIG, Associated Press

NASHVILLE, Tenn. (AP) — The House committee that killed last year's version of a bill to allow wine sales in Tennessee grocery stores on Tuesday overwhelmingly voted in favor of giving cities the ability to hold referendums on the proposal.

The House Local Government Committee voted 13-3 to advance the bill sponsored by Republican Rep. Jon Lundberg of Bristol.

"I'm excited," said House Speaker Beth Harwell, R-Nashville and a lead proponent of the wine measure. "I think they've taken the appropriate action in listening to their constituents."

Supporters of this year's push for wine in supermarkets have split the effort into two bills pending before separate committees. One would establish the mechanism for a local vote, while the other would define which retailers would be able to sell wine.

Local Government Chairman Matthew Hill, R-Jonesborough, cast the deciding vote against last year's version of the bill because of concerns that the measure wasn't getting a full hearing. Hill said he voted in favor of the current bill because it is in keeping with state laws that call for local votes on whether to allow package stores, liquor by the drink, charters to establish now towns and annexation issues.

Hill said the bill "gives another voice to the people in our state to decide what is best for their local communities."

Under the definitions bill introduced in the House State Government Committee earlier on Tuesday, stores would have derive at least 20 percent of their sales from groceries in order to qualify for a license to sell wine.

The 29-page proposal sponsored by Rep. Ryan Haynes, R-Knoxville, would also require stores to have a retail space of at least 2,000 square feet and set July 1, 2016, as the earliest date that supermarkets and convenience stores could sell wine. Existing package stores would also be allowed to sell non-liquor items like beer, cigarettes, snacks and ice.

"The public's desire to have wine in grocery stores has been listened to, and we're trying to make that happen," Haynes said.

The latest version of the proposal rebuffs attempts by lobbyists for package stores and liquor wholesalers to exclude all convenience stores and big box retailers like Wal-Mart and Target. But it would give a nod to existing liquor store owners by banning any store located within 500 feet from being able to sell wine until July 2017 — unless they can obtain permission from their neighbors.

Page 1 of 2

Supermarket Wine Bill Advances in Tenn. House

Published on Food Manufacturing (http://www.foodmanufacturing.com)

Many liquor stores are located close to supermarkets because of the current law that prevents grocery stores from selling any drinks stronger than beer with an alcohol content of 6.5 percent by volume.

The supermarket wine bill would not allow Sunday wine sales, but would give liquor stores the ability to deliver alcohol to customers. It would also require a 20 percent markup on all wine sales.

"It's a back and forth," Haynes said. "At one point you have something that everybody is pleased with, and then somebody will want to add something like Sunday sales and votes get drawn away, making the bill harder to pass.

"That's why we've had problems in years past."

While the current measure would allow supermarkets and convenience stores to sell wine with an alcohol content of up to 18 percent, it would not allow so-called high-gravity beer.

Craft brewers have said they may pursue separate legislation to lift the cap on alcohol content for beer.

Source URL (retrieved on 02/01/2015 - 5:52pm):

http://www.foodmanufacturing.com/news/2014/01/supermarket-wine-bill-advances-tenn-house