Tenn. Senate Passes Supermarket Wine Bill

NASHVILLE, Tenn. (AP) — Tennessee voters would decide whether their cities or counties allow wine to be sold in supermarkets and convenience stores under a bill passed by the state Senate on Thursday.

The measure sponsored by Republican Sen. Bill Ketron of Murfreesboro was approved on a 23-8 vote after the companion bill was revived in the House this week.

Ketron said the bill reflects a shift away from liquor laws that been in place in the state since Prohibition.

"Things have changed in our world," he said. "The people of Tennessee want this opportunity."

The proposal would allow cities and counties to vote on grocery store wine sales as early as November, but wouldn't allow supermarkets to stock wine until at least July 2016.

The Senate version would require convenience stores to have at least 1,200 square feet to qualify for a wine sales license, while the House version would set that limit at 2,000 square feet.

Under current law, supermarkets and convenience stores can sell beer containing up to 6.5 percent alcohol by volume. Anything stronger can only be sold in package stores, which can't sell anything beyond booze and lottery tickets.

Ketron said negotiators have tried to balance the competing interests of package stores, supermarkets, wholesalers and others.

"There are so many tentacles on this because it affected so many people," Ketron said. "Every group that was affected gave up something."

Twenty-one Republicans and two Democrats voted in favor of the measure, while five Republicans and three Democrats voted against it.

House committees this week approved separate bills to create the referendum mechanism and to establish which stores can qualify to sell wine. The two bills are likely to be combined into a single one to match up with the Senate version.

House Speaker Beth Harwell, R-Nashville, and Senate Speaker Ron Ramsey, R-Blountville, have been major proponents of allowing supermarket wine sales, forcing the long-resistant liquor retail and wholesale industries to the negotiating table.

Lawmakers rebuffed liquor lobbyists' attempts to exclude all convenience stores

and big box retailers like Wal-Mart, but agreed to several concessions to existing liquor stores. They include allowing package stores to sell items like beer and cigarettes, delaying by almost two years the date supermarkets could begin to stock wine and requiring a 20 percent markup on wine.

Ramsey said he's unhappy with some provisions of those provisions, but he said he's willing to live with them in order to get the bill passed.

"It's not the perfect bill, but it took seven years to get to this point," Ramsey said. "The citizens will be able to vote in November, and eventually we'll have wine in grocery stores."

Harwell said House members will hammer out any differences with the Senate in the coming weeks.

"They're trying to listen to the will of the people that elected them, and we're just trying to work out the fine details now," she said.

Senate Judiciary Chairman Brian Kelsey, R-Germantown, said he recognized that the bill is the result of a compromise to ensure its passage, but expressed disappointment that it no longer included provisions to allow beer stronger than 6.5 percent to be sold in convenience stores.

Sen. Mark Green, R-Clarksville, said before the vote that he has sponsored a separate bill seeking to lift the cap on beer alcohol content for supermarket sales.

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