

David vs. Goliath: House Bill Pits Louisiana Wine Lovers against Powerful Wholesalers

May 14, 2021, Napa, CA – A bill favorable to wine lovers desperately needs consumer support if true winery-to-consumer direct shipping is to be realized in Louisiana, according to Free the Grapes! The national coalition of wineries and wine lovers is urging Louisiana wine lovers to visit its website and voice support for removing an archaic restriction by May 17 before a Senate committee hears the bill next week. <https://freethegrapes.org>

Winery direct shipping is legal in Louisiana and 45 other states. American wineries with a Louisiana-issued shipping license may currently ship a limited amount of wine to adult consumers in the state, are required to collect and remit sales and excise taxes, and consent to the jurisdiction of Louisiana, among other standard provisions.

But Louisiana has one, unusual restriction: it bans direct shipments of wines already represented by an in-state wholesaler. It forces wineries to sell either through a Louisiana wholesaler that agrees to carry them or direct-to-consumer, but not both. Only Wyoming and Indiana have similar statutes; 43 other states do not.

The statute reduces consumer choice and convenience. If Winery XYZ's Chardonnay is available only at one retailer in Baton Rouge, a consumer in New Orleans needs to drive to Baton Rouge to purchase it; they can't buy it from the winery and have it shipped to them. And they cannot join the winery's wine club and receive periodic shipments. Finally, U.S. consumers are increasingly enjoying the convenience and safety of having goods shipped directly to them because of COVID-related restrictions, but not so for Louisiana's wine lovers.

A Simple Solution: House Bill 393

House Bill 393, sponsored by Representative Joseph Orgeron, would simply remove the ban. The bill's relevant language reads: Present Law "prohibits a wine producer or manufacturer who is a party to a wholesale agreement from selling and shipping sparkling or still wine directly to a consumer. Proposed law repeals present law."

This simple change would benefit the Pelican state's wine lovers by "making more wines available and more conveniently by improving consumer choice. It would also likely produce a modest increase in tax collections," said Jeremy Benson, executive director of Free the Grapes! "We are toasting Rep. Orgeron, the House's passage of HB393, and the opportunity to bring Louisiana in alignment with proven statutes in 43 other states," he added.

Fierce Opposition as Bill Lands in Senate

But Free the Grapes! has learned from local lobbyists that wholesaler opposition is fierce. "Apparently, opponents are claiming the bill concerns retailer direct shipping (it doesn't), would restrict tax collections (it won't), and would open the floodgates to underage access (it won't)," added Benson.

HB 393 is expected to be heard in the Senate Judiciary B Committee May 18 or possibly 25.

Louisiana consumers can visit [FreetheGrapes.org](https://freethegrapes.org) to learn more about the bill and compose a message sent automatically to state legislators.

About Free the Grapes!

Founded in 1998, Free the Grapes! is a national movement of consumers and wineries seeking to expand consumer choice in wine with legal, regulated DTC shipments. <https://freethegrapes.org>

Winery direct-to-consumer wine sales fill in the gaps where the traditional three tier channel – shipments from winery to wholesaler to retailer – does not meet consumer demand. The number of U.S. wineries has increased by over 500% to more than 10,000 in the past 30 years – there is at least one winery in every state. But U.S. wineries produce thousands of new wines each vintage, and nearly all wineries are small, family-owned and operated producers relying to some degree on DTC shipping to the 46 states that allow it.

#

Media Contact

Jeremy Benson, executive director, Free the Grapes!, 917.633.6002, EXT 2. fedup@freethegrapes.org