

WSWA 2022 MID-YEAR STATE LEGISLATIVE ENACTMENT REPORT

Enacted State Legislation From the First Half of 2022

June 16, 2022



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To view a summary and the link to each **enacted bill** listed in the report, <u>click here.</u>

To view a summary and the link to each **pending bill** in the report, <u>click here.</u>



EXECUTIVE SUMMARY

The WSWA Mid-Year State Legislative Enactment Report is intended to provide a nationwide snapshot of the legislative environment as it pertains to bills that impact wholesalers including 2022 enacted legislation and bills still pending in the 11 states and D.C. that are still in session.

While we welcomed a return to life without stay-home orders, the 2022 legislative session saw many state legislatures still meeting in a hybrid model with COVID cases continuing to spike around the country. As the latter half of a legislative biennium for half of the states, the volume of legislation tracked by WSWA was high as many 2021 bills that were pushed aside as states continued to deal with COVID measures, were carried over to the 2022 session.

Bills to enact a new producer direct-to-consumer (DTC) spirits shipping law were introduced/carried over in 13 states, down from 18 in 2021, and three states introduced bills to enact new wine DTC laws. At the time of this publication, no state has enacted a new producer DTC law, however, the spirits shipping bill in California is still pending and has support and momentum.

The 2021 session saw almost half of the country (at least 28 states) enact some form of alcohol delivery or to-go legislation, so it was expected that the number of alcohol delivery and to-go bills introduced in 2022 would be smaller. At the time of this publication, no state has enacted a new delivery privilege while five states enacted bills authorizing to-go/curbside pickup from on- or off-premise locations.

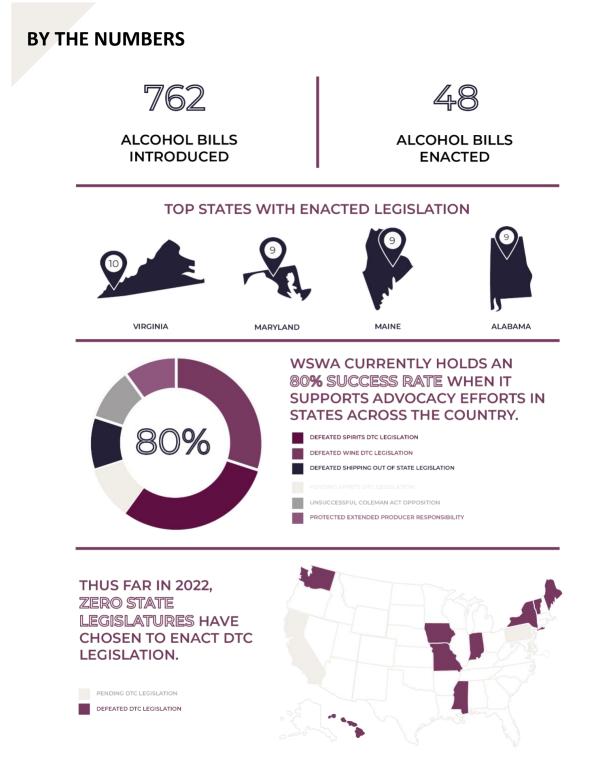
The continued market expansion of ready-to-drink canned cocktails prompted eight states to introduce bills creating a new product category and definition. So far, only Vermont has enacted a bill to create a new product category.

Likely stemming from a continued sentiment around the impact of COVID on local suppliers, bills creating additional privileges for suppliers including on-site sales and satellite locations were introduced in 17 states.

WSWA noticed an increase in the introduction of recycling bills this year including extended producer responsibility, postconsumer recycled content minimums, and seven states introducing bills to establish bottle deposit programs, none of which were enacted.

Below are charts of enacted and pending 2022 bills in addition to a linked report that includes a summary and link to each bill. At the end of the year, WSWA will supplement this mid-year report with a comprehensive year-end enactment report.





Numbers are based on WSWA's monitoring of all 50 states and D.C. for issues covered in WSWA's State Law Database. From January to June 2022: Montana, Nevada, North Dakota, and Texas were NOT in regular session.



ISSUE MATRICES: ENACTED AND PENDING LEGISLATION

SHIPPING | RTDS/LOW-ABV/SELTZERS | DELIVERY | TO-GO | SATELLITE LOCATIONS | SELF-DISTRIBUTION | BOTTLE DEPOSIT | ADDITIONAL BILLS OF NOTE

PRODUCER AND RETAILER SHIPPING

Thirteen states introduced bills that would establish a new spirits DTC privilege; of those, seven were successfully defeated and four are still pending. Maine's spirits DTC bill was amended into an alcohol shipping study bill and enacted. Maryland enacted a bill to extend its temporary spirits DTC law until June 2023. Kentucky and Alaska introduced bills to expand their existing spirits DTC laws with Kentucky enacting a spirits barrel pick shipping bill and Alaska's bill instituting licenses for its existing DTC law is on the governor's desk.

Three states introduced bills that would establish a new wine shipping privilege; of those, one died and two are pending. Seven states introduced bills to expand existing wine DTC laws; of those, six were defeated, and one is pending.

Bills to authorize retailer wine shipping were introduced in two states, and both died. In Alaska, where retailer wine and spirits shipping is legal without a specific shipping license, a bill to create and require retailers to obtain a shipping license is awaiting transmittal to the governor.

Common carrier reporting and/or licensing bills were introduced in four states; of those, one died, one was enacted, and two are still pending.

STATE	NEW SHIPPING PRIVILEGE: WINE/SPIRITS PRODUCER/ RETAILER	EXISTING SHIPPING EXPANSION: WINE/SPIRITS PRODUCER/ RETAILER	SHIP TO RETAILER FOR CONSUMER PICKUP	COMMON CARRIER/ FULFILLMENT CENTER REPORTING/ LICENSING
		ENACTED		
KENTUCKY HB 500		Spirits Producer (barrel picks)		
MARYLAND HB 550	Spirits			
	Producer			
	(temporary until			
	2023)			
TENNESSEE SB 1686				Common Carrier
				License Expansion
UTAH SB 14			Yes	
PENDING				
ALASKA SB 9		Wine & Spirits		



		Due due and R. Data Harr	
		Producers & Retailers	
		must obtain shipping	
		license	
CALIFORNIA SB 620	Spirits		
	Producer (craft)		
DELAWARE HB 210	Wine		
	Producer		
DELAWARE SB 285	Spirits & Wine		
	Producer		
MASSACHUSETTS			Common Carrier
HB 441			Reporting
NEW HAMPSHIRE			Common Carrier
HB 1039			Licensing
NEW JERSEY SB	Spirits		
1103	Producer		
NEW JERSEY SB 549		Wine	
		Producers making	
		over 250k gallons	
PENNSYLVANIA HB	Spirits		
2342	Producer		
RHODE ISLAND HB	Wine		
7265, HB 7594, SB			
2420	Producer		

RTDS/LOW-PROOF BEVERAGES/SELTZERS

Of the 41 RTD bills introduced in 23 states this year, four have been enacted thus far in Maine, Minnesota, Iowa, and Vermont. Although most bills did not pass, legislation focused primarily on issues of expanding definitions of beer, coolers, canned cocktails, and ready-to-drink cocktails. Many bills also created new taxable categories for these newly defined beverages.

STATE	CREATES NEW RTD DEFINITION	CHANGES EXISTING PRODUCT DEFINITION	CHANGES DISTRIBUTION OR SALES CHANNEL/ REMOVES FROM STATE CONTROL	CREATES OR CHANGES RTD TAX RATE
	ENACTED			
MAINE LD 1643		Yes		
MINNESOTA SF 3008/ HF 2767		Yes		
IOWA SF 2374		Yes		
VERMONT HB 730	Yes			Yes
PENDING				



IOWA SF 2378		Yes
NEW JERSEY SB 701		Yes
ARIZONA HB 2627		Yes
PENNSYLVANIA SB 623	Yes	

DELIVERY

Of the 37 delivery bills introduced in 17 states, six bills were enacted. The vast majority of the enacted delivery bills include third-party delivery and off-premise delivery.

STATE	DELIVERY	THIRD PARTY DELIVERY	ALCOHOL TYPE
	ENA	CTED	
CONNECTICUT HB 5330	Off-Premise	Yes	Beer, Wine, Spirits
DC B24 44	On-Premise, Off-Premise	Yes	Beer, Wine, Spirits
MASSACHUSETTS HB 4578	On-Premise		Beer, Wine, Spirits
NEW YORK SB 8005	On-Premise		Wine, Spirits
VIRGINIA HB 426 / SB 254	Off-Premise	Yes	Beer, Wine, Mixed Drinks
	PEN	DING	
CALIFORNIA AB 2896	Off-Premise	Yes	Beer, Wine, Spirits
CALIFORNIA SB 846	On-Premise, Off-Premise, Producer		Beer, Wine, Spirits
LOUISIANA HB 551/ HB 829	Off-Premise	Yes	Beer, Wine, Spirits
MASSACHUSETTS HB 4650/ SB 196	On-Premise		Spirits
MASSACHUSETTS SB 247	On-Premise		Beer, Wine
NEW JERSEY AB 3627	Producer		Cider



NEW JERSEY AB 3710/ SB 355	On-Premise, Off-Premise, Producer	Spirits
NEW JERSEY AB 4260	On-Premise	Beer, Wine, Spirits

TO-GO SALES

Of the 32 to-go alcohol bills introduced in 14 states, 12 bills were enacted. The enacted to-go bills were split almost evenly between on-premise and off-premise locations, while three states and DC authorized curbside pickup of alcoholic beverages.

STATE	TO-GO	CURBSIDE PICKUP	ALCOHOL TYPE
	ENA	CTED	
ALABAMA HB 119	Off-Premise	Off-Premise	Beer, Wine, Spirits
ALABAMA SB 22	Off-Premise		Wine
CONNECTICUT HB 5330	Off-Premise	Off-Premise	Beer, Wine, Spirits
DC B24 44	On-Premise	On-Premise, Off-Premise	Beer, Wine, Spirits
DELAWARE HB 289		Off-Premise, Producer	Beer, Wine, Spirits
DELAWARE HB 290	On-Premise	On-Premise	Beer, Wine, Spirits
MAINE LD 1751	On-Premise, Producer		Beer, Wine, Spirits
MASSACHUSETTS HB 4578	On-Premise		Beer, Wine, Spirits
NEW YORK SB 8005	On-Premise		Wine, Spirits
OKLAHOMA SB 169	Off-Premise		Wine, Spirits
RHODE ISLAND HB 7209/ SB 2153	On-Premise		Beer, Wine, Spirits
PENDING			
CALIFORNIA SB 846	On-Premise, Off-Premise, Producer		Beer, Wine, Spirits



LOUISIANA HB 829	On-Premise, Off-Premise	On-Premise, Off-Premise	Beer, Wine, Spirits
MASSACHUSETTS HB 4650/ SB 196	On-Premise		Spirits
MASSACHUSETTS SB 247	On-Premise		Beer, Wine
NEW JERSEY AB 3710 / SB 355	On-Premise, Off-Premise, Producer		Spirits
PENNSYLVANIA HB 662	On-Premise		Wine
PENNSYLVANIA SB 1138	On-Premise		Beer, Wine, Spirits
RHODE ISLAND HB 7123	On-Premise		Beer, Wine, Spirits

SATELLITE LOCATIONS

Nineteen satellite location bills were introduced in nine states and, at this point, only one bill was enacted.

STATE	ADDS NEW SATELLITE LOCATION(S)	
	ENACTED	
MAINE LD 1643	Yes, Manufacturers	
	PENDING	
NEW HAMPSHIRE HB 1039	No, amends definition of beverage manufacturer retail outlet	

SELF-DISTRIBUTION

Of the 17 self-distribution bills introduced in 11 states, only one bill was enacted, thus far.

STATE	AUTHORIZES SELF-DISTRIBUTION	AMENDS EXISTING PRIVILEGE	
ENACTED			
NEBRASKA LB 1236	Yes, Craft Breweries		
PENDING			



LOUISIANA HB 370	Yes, Breweries	
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BOTTLE DEPOSIT PROGRAMS

Seven states introduced bills to establish a new bottle deposit law and all seven died. Eight states introduced bills to expand their existing bottle deposit law; of those, four died, two were enacted, and four bills are still pending in three states.

STATE	NEW BOTTLE DEPOSIT LAW	EXPANSION OF EXISTING BOTTLE DEPOSIT LAW
	ENACTED	
Hawaii SB 2998		Yes, distributor reports required
Oregon SB 1520		Yes, adds canned wine
	PENDING	
California AB 2779		Adds spirits and wine sold in aluminum cans
California SB 1013		Adds spirits and wine
Iowa SF 2378		Adds high alcoholic content beer and canned cocktails
Massachusetts HB 3284		Adds nips

ADDITIONAL ENACTED BILLS OF NOTE

Extended Producer Responsibility

Colorado enacted <u>HB 1355</u>, Producer Responsibility Program for Statewide Recycling, requiring certain producers to fund the establishment of a non-profit to implement and manage a statewide program to provide recycling services to residents and businesses.

Louisiana <u>SCR 13</u>, a resolution, requests the Department of Environmental Quality to study strategies for recycling plastic containers.

New Jersey <u>SB 2515</u> establishes postconsumer recycled content requirements for plastic and glass containers.

Entertainment Districts

New Jersey <u>SB 2921</u> allows municipalities to create "open container areas" whereby people are permitted to carry and consume open containers of alcoholic beverages.

Industry Promotion



New Jersey <u>AB 1293</u> establishes the "New Jersey Brewery, Cidery, Meadery, and Distillery Industry Advisory Council" to promote these industries and aid in research and development.

Licensing

Oklahoma <u>SB 1784</u> allows an employee of a licensed beer, wine, or spirits wholesaler who is at least 18 years of age to enter a spirits retail store, if they are doing so for the purpose of merchandising or delivering product.

Oklahoma <u>SB 1749</u> permits the sale of beer at golf courses or country clubs.

South Dakota <u>SB 188</u> will allow unlicensed businesses to store alcoholic beverages.

Privatization

Mississippi <u>SB 2844</u> authorizes \$5 million for the building of a new state warehouse that will be operated by a private third party.