

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO ALCOHOLIC BEVERAGES -- WINE DIRECT SHIPPER LICENSE

Introduced By: Senators Satchell, Pearson, Lombardi, Valverde, and Goldin

Date Introduced: January 21, 2020

Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 3 of the General Laws entitled "ALCOHOLIC BEVERAGES" is  
2 hereby amended by adding thereto the following chapter:

3 CHAPTER 6.1

4 WINE DIRECT SHIPPER LICENSE

5 **3-6.1-1. Wine direct shipper license.**

6 (a) Notwithstanding any law, rule or regulation to the contrary, any person currently  
7 licensed in this or any other state as a wine producer, supplier, importer, wholesaler, distributor or  
8 retailer who obtains a wine direct shipper license, as provided below, may ship up to twenty-four  
9 (24), nine (9) liter cases of wine annually directly to a resident of Rhode Island who is at least  
10 twenty-one (21) years of age for such resident's personal use and not for resale.

11 (b) Before sending any shipment to a resident of Rhode Island the wine direct shipper  
12 licensee must first:

13 (1) File an application with the department of business regulation (the "department");

14 (2) Pay a one hundred dollar (\$100) registration fee;

15 (3) Provide to the department a true copy of its current alcoholic beverage license issued  
16 in this or any other state; and

17 (4) Obtain from the department a wine direct shipper license.

18 **3-6.1-2. Restrictions, requirements and duties.**

19 All wine direct shipper licensees shall:

1 (1) Not exceed the shipment of twenty-four (24), nine (9) liter cases of wine annually to  
2 any person for their personal use and not for resale;

3 (2) Not ship to any address in an area identified by the department as a "dry" or local  
4 option area;

5 (3) Ensure that all containers of wine shipped directly to a resident in this state are  
6 conspicuously labeled with the words "CONTAINS ALCOHOL SIGNATURE OF PERSON  
7 AGE 21 OR OLDER REQUIRED FOR DELIVERY";

8 (4) If located outside of this state, report to the department annually the total amount of  
9 wine shipped into the state the preceding calendar year;

10 (5) If located outside of this state, annually pay to the division of taxation all sales taxes  
11 and excise taxes due on sales to residents of Rhode Island in the preceding calendar year, the  
12 amount of such taxes to be calculated as if the sale were in Rhode Island at the location where  
13 delivery is made;

14 (6) If located within this state, provide the division of taxation any additional information  
15 deemed necessary beyond that already required for retail sales from the winery tasting room to  
16 ensure compliance with this section;

17 (7) Permit the department or the division of taxation to perform an audit of the wine  
18 direct shipper licensees records upon request; and

19 (8) Be deemed to have consented to the jurisdiction of the department or any other state  
20 agency and the Rhode Island courts concerning enforcement of this section and any related laws,  
21 rules or regulations.

22 **3-6.1-3. License renewal.**

23 The wine direct shipper licensee may annually renew its license with the department by  
24 paying a fifty dollar (\$50.00) renewal fee and providing the department a true copy of its current  
25 alcoholic beverage license issued by this or any other state.

26 **3-6.1-4. Promulgation of rules and regulations.**

27 The department and the division of taxation may promulgate rules and regulations to  
28 effectuate the purposes of this law.

29 **3-6.1-5. Suspension or revocation of licenses.**

30 The department may enforce the requirements of this chapter by administrative  
31 proceedings to suspend or revoke a wine direct shipper license, and the department may accept  
32 payment of an offer in compromise in lieu of suspension, such payments to be determined by rule  
33 promulgated by the department.

34 **3-6.1-6. Penalties for violations.**

1           Shipments of wine direct to consumers in Rhode Island from persons who do not possess  
2 a current wine direct shipper license from the department are prohibited. Any person who  
3 knowingly makes, participates in, transports, imports or receives such a shipment is guilty of a  
4 misdemeanor punishable by a fine up to and including one thousand dollars (\$1,000) and/or  
5 imprisonment for a period of up to one year. Without limitation on any punishment or remedy,  
6 criminal or civil, any person who knowingly makes, participates in, transports, imports or  
7 receives such a shipment commits an unfair trade practice.

8           SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO ALCOHOLIC BEVERAGES -- WINE DIRECT SHIPPER LICENSE

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1           This act would create a wine direct shipper license for licensed producers in this or any  
2 state, to directly ship a limited amount of wine to residents age twenty-one (21) or older, for  
3 personal consumption, with oversight by the department of business regulation and the division of  
4 taxation. Violations of this act would be punishable as a misdemeanor, with a fine of up to one  
5 thousand dollars (\$1,000), and/or imprisonment for a period of up to one year.

6           This act would take effect upon passage.

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