

January 26, 2021

Hon. Micah Caskey, Chair General Laws Subcommittee House Judiciary Committee South Carolina House of Representatives P.O. Box 11867 Columbia, S.C. 29211

Dear Representative Caskey:

These comments are submitted on behalf of the Distilled Spirits Council of the United States, a national trade association representing producers and marketers of distilled spirits and importers of wines sold in the USA. We welcome the opportunity to provide our views regarding H. 3575 regarding "Drive through alcohol services" that would provide for "curbside pickup" services for the sales of malt beverages and wine.

We would urge that distilled spirits be afforded the same opportunity for curbside pickup. There is no reason that would justify this differential treatment and any legislation adopted by policymakers should keep fairness and a level playing field at the forefront of its goals. This is of even greater concern because of the extraordinary circumstances that South Carolina's citizens have been faced with over the past ten months dealing with the impacts of the COVID-19 pandemic. There is every expectation that this situation will continue to affect consumer commerce in a variety of ways including the interaction of individual consumers in a retail environment for some time to come.

Simply put, there is no scientific, public policy or public safety reason for excluding spirits from the proposed regulation. If a distilled spirits retailer has the appropriate technologies in place to accept an online order and the final transaction takes place at curbside in a face-to-face manner, as the proposed changes contemplate for malt beverages and wine, then spirits should be included.

Customer convenience is being demanded in the marketplace for any and all products and to allow malt beverages and wine to be delivered curbside while excluding spirits is merely a discriminatory practice that unfairly tilts the playing field. We urge the Committee in the strongest manner to not engage in picking winners and losers by adopting discriminatory treatment.

For these reasons, we urge the Committee to amend H. 3575 to include distilled spirits in the scope of this legislation as a matter of good public policy and to provide equal opportunity for distilled spirits, malt beverages and wine, as well as convenience for South Carolina consumers. We note that 30 states plus Washington, D.C. allow the home delivery of distilled spirits products as a means to modernize the marketplace in Representative Micah Caskey January 26, 2021 Page two

sync with the preferences of today's consumers. I would also note for the Committee that curbside pickup from liquor stores and/or other off-premise retailers, which was allowed in five states (CO, GA, NV, WA, WY), has been expanded in response to the COVID-19 pandemic to an additional fifteen states (AL, AK, AR, CA, CT, IN, KS, MS, NH, OK, OR, PA, TN, TX, VA) successfully and without incident. We also anticipate that many states will adopt this change as a permanent measure.

I have included some additional information for your consideration further demonstrating that alcohol is alcohol. There is no alcoholic beverage of moderation, there is only the practice of moderation.

Thank you for your consideration.

Sincerely,

Joyn Hillow

Jay M. Hibbard Senior Vice President State Public Policy

- Enc: Alcohol is Alcohol Graphic Alcohol is Alcohol White Paper
- cc: Representative William Bailey Representative Patricia Henegan Representative Neal Collins

Representative Chris Murphy, Chairman South Carolina House Judiciary Committee: