September 21, 2022

Member of Congress:

We are writing in opposition to H.R. 3287/S.1663, *the United States Postal Service Shipping Equity Act*, legislation that undermines the well-established system of alcohol regulation.

In addition to the organizations represented on this letter, the legislation to allow the U.S. Postal Service to ship alcohol, introduced by Rep. Jackie Speier and Sen. Jeff Merkley, is opposed by the <u>American Beverage Licensees</u>, the <u>American Distilled Spirts Alliance</u>, the <u>National Beer Wholesalers Association</u>, the <u>Wine and Spirits Wholesalers of America</u>, and public health organizations, including the <u>Community Anti-Drug Coalitions of America (CADCA)</u> and the <u>U.S. Alcohol Policy Alliance</u>. The <u>Consumer Federation of America (CFA)</u> and the <u>International Brotherhood of Teamsters are also opposed</u>.

The current alcohol regulatory structure that has been in place for decades helps to protect U.S. consumers as well as local marketplaces. The current regulatory system comprised of licensed suppliers, distributors and retailers serves the U.S. marketplace and consumers. H.R. 3287 and S. 1663 overlook longestablished industry practices of alcohol delivery and a system of accountability that ensures trustworthy products in the marketplace.

Enforcement of state alcohol laws and regulations should not be compromised by allowing a federal entity with immunity, like the USPS, to ship alcohol through the mail. The legislation fails to sufficiently recognize states' constitutional authority to enforce their beverage alcohol laws and would compromise states' ability to regulate the alcohol market within their borders and limit states' ability to enforce their laws. For example, many state laws require a signature by a legal adult before delivery of a package containing alcohol. To comply with age verification laws, the USPS would need a reliable system in place to follow state law; however, should proper age verification requirements not be followed by the postal employee, state authorities' recourse to resolve the issue is again limited.

Delivery of a quality product to retail accounts is a priority for beer and wine distributors and their supplier partners. Shipping beer and wine via the USPS exposes the product to postal vehicles or regional postal facilities that are not climate controlled, compromising the integrity of the product. Liquor is a

flammable product and when not properly handled could pose a safety threat to USPS employees.

The legislation fails to adequately address alcohol excise tax collection and reporting and could adversely impact state and local budgets. The alcohol industry collectively contributes nearly \$30 billion in annual tax revenue to state and local governments from sales and excise taxes on beverage alcohol. Alcohol regulations at the state level allow for the collection of state and local sales and excise taxes, H.R. 3287 and S. 1663 do not acknowledge this important function that is addressed by the current regulatory framework.

The 21st Amendment to the U.S. Constitution provides states with the primary authority to regulate the manufacture, sale and distribution of alcohol within their borders. Current alcohol regulation is supported by more than 85 years of existing state authority and regulatory oversight and Congress should avoid upsetting the balance of state and federal policies and regulations.

We ask that you **oppose** H.R. 3287/S. 1663 and **support** existing policies that serve to protect the consumer and the public.

Sincerely,

Alabama Beverage Licensees Association Alabama Wholesale Beer Association Beer and Wine Distributors of Arizona Wine & Spirits Wholesalers of Arizona United Beverage Retailers of Arkansas Wholesale Beer Distributors of Arkansas California Beer and Beverage Distributors California Family Beer Distributors Wine & Spirits Wholesalers of California, Inc. Colorado Beer Distributors Association Colorado Licensed Beverage Association Coloradoans for Safety Wine & Spirit Wholesalers of Colorado Connecticut Beer Wholesalers Association Connecticut Package Stores Association Wine & Spirits Wholesalers of Connecticut Delaware Alcohol Beverage Wholesalers Association Delaware Small Beverage License Council

District of Columbia Association of Beverage Alcohol Wholesalers

Beer Industry of Florida

Florida Beer Wholesalers Association

Florida Independent Spirits Association

Wine and Spirits Distributors of Florida

Georgia Alcohol Dealers Association

Georgia Beer Wholesalers Association

Wine & Spirits Wholesalers of Georgia

Hawaii Liquor Wholesalers Association

Idaho Beer & Wine Distributors Association

Associated Beer Distributors of Illinois

Illinois Licensed Beverage Association

Wine and Spirits Distributors of Illinois

Indiana Association of Beverage Retailers

Indiana Beverage Alliance

Wine & Spirits Distributors of Indiana

Iowa Wholesale Beer Distributors

Kansas Association of Beverage Retailers

Kansas Beer Wholesalers Association

Kansas Wine and Spirits Wholesalers Association, Inc.

Kentucky Association of Beverage Retailers

Kentucky Beer Wholesalers Association

Kentucky Malt Beverage Council

Wine & Spirits Wholesalers of Kentucky

Beer Industry League of Louisiana

Louisiana Association of Beverage Alcohol Retailers

Maine Beer & Wine Wholesalers Association

Maine Beer and Wine Distributors

Licensed Beverage Distributors of Maryland. Inc,

Maryland Beer Wholesalers Association

Maryland State Licensed Beverage Association

Beer Distributors of Massachusetts

Massachusetts Package Stores Association

Wine & Spirit Wholesalers of Massachusetts, Inc.

Michigan Beer & Wine Wholesalers Association

Minnesota Beer Wholesalers Association

Minnesota Wine & Spirits Wholesalers Association

Mississippi Beer Distributors Association

Missouri Beer Wholesalers Association

Montana Beer and Wine Distributors Association

Montana Tavern Association

Associated Beverage Distributors of Nebraska

Nevada Beer Wholesalers Association

New Hampshire Beer and Beverage Distributors Association

Beer Wholesalers Association of New Jersey

New Jersey Wine & Spirits Wholesalers Association

New Mexico Beverage Wholesalers

New York State Beer Wholesalers Association

Retailers Alliance of New York

North Carolina Beer & Wine Wholesalers Association

North Dakota Beer Distributors Association

Wholesale Beer and Wine Association of Ohio

Beer Distributors of Oklahoma

Retail Liquor Association of Oklahoma

Oregon Beer & Wine Distributors Association

Malt Beverage Distributors Association of Pennsylvania

Pennsylvania Beer Alliance

Alcohol Beverage Wholesalers Dealers of Rhode Island

Rhode Island Liquor Operators Collaborative

ABC Stores of South Carolina

South Carolina Beer Wholesalers Association

Wine & Spirits Wholesalers of South Carolina

South Dakota Beer Distributors Association

South Dakota Licensed Beverage Dealers and Gaming Association

Tennessee Malt Beverage Association

Tennessee Wine & Spirits Retailers Association

Wine and Spirits Wholesalers of Tennessee, Inc.

Texas Package Stores Association

The Beer Alliance of Texas

Wine and Spirits Wholesalers of Texas

Wholesale Beer Distributors of Texas

Utah Beer Wholesalers Association

Vermont Wholesale Beverage Association

Virginia Beer Wholesalers Association

Virginia Wine Wholesalers Association, Inc.

Association of Washington Spirits and Wine Distributors

Washington Beer and Wine Distributors Association

West Virginia Beer Wholesalers Association

West Virginia Spirits Brokers Association

Tavern League of Wisconsin Wisconsin Beer Distributors Association Wyoming Beer Distributors Association Wyoming Spirits Brokers Association Wyoming State Liquor Association