

The General Assembly in 2008 was a wild ride!

This year proved the necessity of not only being aware but participating in the legislative process on a daily basis. We saw numerous pieces of legislation, and even more amendments, that involved alcohol and retailers in some manner. The experience of 2008 proved that positive results occur when you join forces with others in the industry.

The ABC Stores of SC was not alone in our successful efforts of protecting independent retailers. We worked closely with the SC Liquor Wholesalers Association and the SC Beer Association, where appropriate, to deter and promote industry wide practices that benefit all independent liquor retailers. Even though we may not agree on all issues, we have learned that positive outcomes come to those who can tell their story with others in their industry backing them up and supporting their efforts.

2008 legislative accomplishments

Summary of bills passed ...

- **Primary and substantial** – bill clarifies the requirements for an on-premise establishment to sell alcohol; language was not clear in the past causing a significant court case.
- **Alcohol Without Liquid (AWOL)** – bill outlaws the use of alcohol without liquid devices that have been proved dangerous to consumers, especially youth.
- **Tax fines** – bill increases the fines for on-premise establishments for failure to collect and remittance of liquor by the drink excise tax and clarifies that the tax is on the cost of the entire drink. Takes the burden off of liquor retailers.
- **Sunday Wine Tastings at Wineries** – bill was crafted for a local Pickens county winery. It will allow them to have Sunday Sales at their winery if the local government passes an ordinance to allow such sales. The bill has been signed into law.

Summary of bills defeated

- **“Other” Products** - As reported in the April issue of “The Industry Leader”, H.4685 did not pass out of the House Judiciary Committee; however, efforts to add the language via amendments to almost every other alcohol related bill were made and stopped by our lobbying efforts. The reason this is so important to independent retailers is that this effort to add products other than liquor to our stores blurs legal and responsible lines altering the core laws regulating our businesses and protecting consumers. The effort

to pass this law has been the sole practice of one chain retailer who has a record in other states of chipping away at the marketplace via the law, eventually causing small liquor retailers to close their doors.

- **Election Day Sales** - Sales of liquor on Election Day did not have enough time on the calendar to pass; is likely to be reintroduced in 2009.
- **Drive throughs** – Bill was introduced that would allow alcohol beverages to be sold in a drive through and was defeated.
- **Happy Hour** –bill relaxes happy hour restrictions for on-premise consumption.

To Be Determined or In Conference Committee

- **Party Ball Registration** – removes the keg registration requirements for party balls.
- **SLED notification** – requires SLED to post unsuccessful retail sting operations on the web.

2009 and beyond

Much, if not most, of our legislative efforts this year were the result of a national chain attempting to destroy the integrity of our responsible alcohol beverage retailers, state's law, and consumers. The efforts made in the last two years on various issues, particularly "other products" is a mechanism for breaking down the law and gaining an ultimate goal of closing competition. Our accomplishments in proving that independent retailers provide a marketplace that is fair and reasonable for small business owners as well as consumers.

The current limit on store ownership to three (3) stores ensures that one large chain retailer will not dominate the market and close our stores. In 2009 and beyond, we will be proactive to protect and promote, as well as watch all legislative efforts by others and respond according to if we believe it will help or hinder small retailers.

Membership Drive underway

We welcome Elizabeth Donehue of the Donehue Agency to our team. Elizabeth is responsible for expanding our membership. This includes creating and implementing an updated membership plan, designing and producing updated printed materials, and contacting liquor

retailers across the state via phone, mail and personal visits to tell our stories of success in the state legislature protecting the independent retailer.

The Donehue Agency is known for its successful fundraising efforts for Members of the SC General Assembly. Fundraising campaigns and membership drives involve very similar efforts. Elizabeth's experience working for candidates and Members of the General Assembly will translate very well into success for our association. Please help us welcome her to our team by providing her names of other retailers in your area that you believe share your concern for protecting your business from large chain retailers.