

HCS HB 310 -- LIQUOR CONTROL

SPONSOR: Jones (89)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on General Laws by a vote of 10 to 0.

This substitute changes the laws regarding liquor control. In its main provisions, the substitute:

(1) Repeals the provisions allowing certain licensed liquor and wine wholesalers to offer limited price discounts for certain quantities of any brand and type of liquor and wine and for close-out merchandise;

(2) Repeals the requirement that wholesalers follow a monthly price schedule filed with the Supervisor of the Division of Alcohol and Tobacco Control within the Department of Public Safety;

(3) Requires wholesalers to make available to retailers certain product information, including price, no later than five days prior to the first day of the month in which the pricing will be effective. Supplemental pricing information can be provided for new or unintentionally omitted items, which can then be sold immediately;

(4) Authorizes wholesalers to offer merchandise below their cost only if it is designated as close-out merchandise in the monthly pricing information for at least six months and prohibits them from purchasing new liquor and wine while it is designated as close-out merchandise; and

(5) Requires delivery orders to be invoiced at the price in effect when the delivery is made, except for delayed shipments which can be invoiced at the price in effect when the order is placed. Currently, delayed shipment orders are those received during the last three business days of a month and delivered during the first three business days of the following month. The substitute changes those time periods from three to five days.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPOSERS: Supporters say that the bill will help conform Missouri statutes to actual practices mandated by antitrust legislation and will prevent legal challenges to price-posting statutes. Elimination of a discount cap requirement will be beneficial to small businesses. The bill retains bans on price discrimination based on the volume of liquor sold.

Testifying for the bill were Representative Jones (89); and Karen Moore, Wine and Spirit Wholesalers of America.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that the ban on price discrimination based on the volume of liquor sold should remain in place. The legislation appears to leave this ban intact. Price-posting requirements might be more efficiently accomplished using an Internet system.

Testifying on the bill was Missouri Petroleum Marketers and Convenience Store Association.