



Rob McKenna
ATTORNEY GENERAL OF WASHINGTON
1125 Washington Street SE • PO Box 40100 • Olympia WA 98504-0100

May 17, 2010

Mr. Steve Gross
Director of State Relations
Wine Institute
425 Market Street, Suite 1000
San Francisco, CA 94105

Dear ~~Mr. Gross~~ *Steve*:

Thank you for bringing to my attention the issues the wine industry has with HR 5034, a bill currently pending in Congress. I enjoyed our discussion about the successes of the U.S. wine industry, and the possible negative impacts that this legislation could have on it.

It has since also come to my attention that some proponents of HR 5034 have suggested, both in direct meetings with Members of Congress and in advertising, that I support this legislation. Let me assure you that this is not correct.

I was proud to sign a letter with 39 fellow attorneys general from across the country supporting the 21st Amendment and states' rights to regulate alcohol within their borders. The rights of states are very important to attorneys general, and we often provide our perspectives when such rights are threatened either by federal legislation or litigation. A general letter on the principle of states' rights, like the one on state regulation of alcohol which we sent to a Congressional subcommittee chairman on March 29, is relatively common from the attorneys general.

My support of this National Association of Attorneys General (NAAG) sign-on letter is now being construed by some as support for HR 5034. This is false; the NAAG sign-on letter was sent March 29, while HR 5034 was not even introduced in Congress until April 15. Further, HR 5034 goes far beyond the general states' rights principle which was the focus of the NAAG letter. Indeed, HR 5034 is seen by some as an attack on the ability of winemakers to sell directly to consumers via wine clubs or the Internet.

I have been a strong supporter of the wine industry and will remain one. A key to the industry's growth is to be able to continue to sell wine, where states allow direct-to-consumer shipments, in a non-discriminatory regulatory environment. This should not impact states which have decided not to allow such direct sales, as that is within each state's control.

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I hope that this letter has cleared up any misperceptions which have been created by some proponents of HR 5034. If my office can provide any additional information on this subject, please do not hesitate to contact my Chief of Staff, Randy Pepple, at 360-586-5579.

Sincerely,

A handwritten signature in blue ink that reads "Rob McKenna". The signature is written in a cursive, flowing style.

ROB MCKENNA
Attorney General

RMM:tlt