



“What’s Next for Three-Tier After the Supreme Court’s Tennessee Retailer Decision?” The Wine Curmudgeon

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In an article published in The Wine Curmudgeon on July 18, Tucker Herndon provides insight on the recent Tennessee retailer decision.

There have been countless confident pronouncements circulating since the U.S. Supreme Court’s Tennessee retailer decision, which struck down a law that limited who could own a liquor store in that state. Many predicted the beginning of the end of the antiquated and restrictive three-tier system that regulates alcohol sales in the U.S.

However, many attorneys and analysts agree, the Tennessee retailer decision may be a big deal at the moment, but don’t expect much to change about three-tier — and it’s not going to get easier for everyone to buy wine.

“I don’t see this ruling going much farther,” Herndon states. “I don’t think it’s going to open the floodgates, and I don’t think it’s going to give us a regulatory system without a lot of limitations.”

The Supreme Court ruling said Tennessee couldn’t impose a residency requirement on liquor store owners because such a requirement didn’t promote the public health and safety. According to the ruling, all it did was shield local retailers from competition from national and regional chains and furthermore, the Tennessee law ran afoul of the Constitution’s Commerce Clause, which says states can’t favor their residents ahead of people from other states unless there is a very good reason, like public health and safety.

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Herndon emphasizes, “The decision is about retailer residency – nothing more. That someone doesn’t need to be a Tennessee resident to get a retail liquor license to open a store in Tennessee doesn’t mean that someone who doesn’t live in Tennessee can get a license to open a store outside of Tennessee.”

[Read the full article here.](#)