

FINAL BILL REPORT

SSB 6748

C 106 L 96
Synopsis as Enacted

Brief Description: Regulating the interest in property on which retail liquor is sold.

Sponsors: Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Heavey and Deccio).

Senate Committee on Labor, Commerce & Trade
House Committee on Commerce & Labor

Background: Under current law, a liquor manufacturer, importer, or wholesaler is prohibited from having any financial interest in an establishment that holds a retail liquor license. A manufacturer or wholesaler is also prohibited from owning property upon which a retail liquor licensee conducts business. Furthermore, a retail liquor licensee is prohibited from conducting business upon property in which a manufacturer, importer or wholesaler has an interest. This prohibition was established in an effort to prevent manufacturers or wholesalers from exerting undue pressure on a retail liquor licensee to exclude the sale of one liquor product over another or to increase consumption.

Summary: The prohibition on a liquor manufacturer, importer or wholesaler from holding a financial interest in a licensed retail establishment or owning property upon which the establishment operates is modified. These business arrangements may be permitted if the Liquor Control Board reviews the ownership and operating agreements and determines that the operation of the retail liquor licensee is not going to be unduly influenced by the manufacturer, importer or wholesaler.

Votes on Final Passage:

Senate	47	0
House	95	0

Effective: June 6, 1996