

SENATE BILL REPORT

ESHB 2790

As of February 24, 2010

Title: An act relating to making technical and clarifying changes to the liquor laws.

Brief Description: Making technical and clarifying changes to the liquor laws.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representative Conway).

Brief History: Passed House: 2/13/10, 94-1.

Committee Activity: Labor, Commerce & Consumer Protection: 2/18/10.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Mac Nicholson (786-7445)

Background: In 2009 the Legislature enacted EHB 2040, which implemented multiple recommendations of the Joint Select Committee on Beer and Wine Regulation. Notably, EHB 2040 repealed what was known as the tied house law and established new provisions generally allowing financial interests between industry members unless the interest has resulted in undue influence or has an adverse impact on public health and safety. Language in EHB 2040 incompletely identified the industry members and retailers who may have a financial interest in a separately licensed legal entity. Separate legislation was also enacted in 2009 that amended the statute that was repealed by EHB 2040.

A manufacturer, importer, or distributor may apply for a special permit to serve liquor without charge to delegates and guests at liquor licensee trade association conventions.

Summary of Bill: The tied house law that was repealed and amended in 2009 is repealed. References to the repealed statute are corrected.

Holders of public house, hotel, nightclub, and distiller licenses are added to the list of industry members and retailers who may have a financial interest in a separately licensed legal entity.

Vendors who manufacture liquor mixers may obtain a special permit to serve liquor without charge to delegates and guests at liquor licensee trade association conventions.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony: PRO: Last session there was a major bill dealing with the three tiered system. This legislation deals with some technical corrections that need to be made to last session's bill. There's a narrow tied house exemption in the legislation as well that allows restaurants to serve at trade conventions.

Persons Testifying: PRO: Representative Conway, prime sponsor.