

SENATE BILL REPORT

SB 5909

As Reported by Senate Committee On:
Labor & Commerce, February 18, 2019

Title: An act relating to the license to manufacture, import, sell, and export liquor.

Brief Description: Concerning the license to manufacture, import, sell, and export liquor.

Sponsors: Senator King.

Brief History:

Committee Activity: Labor & Commerce: 2/18/19, 2/18/19 [DP].

Brief Summary of Bill

- Authorizes certain manufacturers to can, bottle, and bag alcoholic beverages and to mix products before packaging.
- Authorizes the manufacturers to also contract with other nonliquor licensed businesses to handle other specified products.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; King, Ranking Member; Braun, Saldaña, Walsh and Wellman.

Staff: Richard Rodger (786-7461)

Background: The Liquor and Cannabis Board is authorized to issue a license to manufacturers of liquor to manufacture, import, sell, and export liquor from the state. This license is separate from the licenses issued to distillers, domestic brewers, microbreweries, wineries, and domestic wineries.

The manufacturers license does not allow the business to contract with other licensees to package their products containing alcohol.

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.

Summary of Bill: Licensed liquor manufacturers may contract with licensed liquor distillers, craft distillers, domestic brewers, microbreweries, wineries, and domestic wineries to provide packaging services that include:

- canning, bottling, and bagging of alcoholic beverages;
- mixing products before packaging; and
- receiving and returning products to the originating liquor licensed businesses as part of a contract.

Liquor manufacturers may also contract with other nonliquor licensed businesses if the contract does not include alcohol products.

Liquor manufacturers are prohibited from:

- contracting directly or indirectly with any retail liquor licensee for the sale of alcohol products, unless they are medicinal, culinary, or toilet preparations not usable as beverages;
- engaging in direct liquor sales to retail liquor licensees, except for the sale of specified alcohol products; and
- mixing or infusing tetrahydrocannabinol (THC), cannabidiol (CBD), or any other cannabinoid into any products containing alcohol.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill will simply allow a licensed bottler to handle products that liquor licensees need to have packaged in cans, bottles, and bags. The manufacturer will mix and package these products and return the products to the original licensed business.

OTHER: We do not really understand this bill, but like the fact that the manufacturer will not be able to add THC or CBD to the products.

Persons Testifying: PRO: Senator Curtis King, Prime Sponsor.

OTHER: Seth Dawson, Washington Association for Substance Abuse Prevention.

Persons Signed In To Testify But Not Testifying: No one.