

# SENATE BILL REPORT

## ESB 6737

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As Passed Senate, February 16, 2004

**Title:** An act relating to distribution of liquor.

**Brief Description:** Changing provisions relating to distribution of liquor.

**Sponsors:** Senators Hewitt and Honeyford.

**Brief History:**

**Committee Activity:** Commerce & Trade: 2/6/04 [DP].

Passed Senate: 2/16/04, 47-0.

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### SENATE COMMITTEE ON COMMERCE & TRADE

**Majority Report:** Do pass.

Signed by Senators Honeyford, Chair; Hewitt, Vice Chair; Franklin, Keiser and Mulliken.

**Staff:** Jennifer Strus (786-7316)

**Background:** Beer and wine price postings are open for inspection to all trade buyers in the state of Washington. The postings are not considered confidential information. No price can be posted that is below the cost to acquire the beer or wine plus 10 percent.

**Summary of Bill:** Future beer and wine price postings are considered confidential information and are not subject to public disclosure. The Liquor Control Board must review the postings to ensure that buyers are adhering to the rule that no beer or wine prices can be posted that are below the cost to acquire the beer or wine plus 10 percent.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** Recent concerns were raised by a liquor licensee about the price posting system. The bill clarifies that the price posting system can be used only for investigative purposes. Prices that are no longer in effect would be subject to public disclosure.

**Testimony Against:** Concerned that the system is moving from openness to one of secretness. The prices should be available to the public.

**Testified:** PRO: Senator Hewitt, prime sponsor; Lorraine Lee and Rick Garza, Liquor Control Board. CONCERNS: Roland Thompson, Allied Daily Newspapers of Washington; TK Bentler, Washington Brewer's Guild.

**House Amendment(s):** The House amendment deletes provisions specifying that the purpose of the state liquor laws is to promote the public's interest in fostering the orderly and responsible

distribution of liquor towards effective control of consumption; that the authority for enacting the liquor laws is the 21st Amendment to the U.S. Constitution; and that the LCB's duties include investigating and analyzing the effectiveness of liquor controls and regulations.

An emergency clause is added.