

SENATE BILL REPORT

SB 6658

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 1, 1996

Title: An act relating to fair competition in the motion picture industry.

Brief Description: Making it an unfair business practice to violate the motion picture fair competition act.

Sponsors: Senators Thibaudeau, Pelz and Heavey.

Brief History:

Committee Activity: Labor, Commerce & Trade: 1/31/96, 2/1/96 [DP, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Franklin, Fraser and Wojahn.

Minority Report: Do not pass.

Signed by Senators Deccio and McDonald.

Staff: Erika Lim (786-7488)

Background: The Washington Motion Picture Fair Competition Act establishes procedures for bidding and negotiating by movie theaters for movies.

Distributors must give notice of screenings to all exhibitors from whom they will solicit bids or with whom they will negotiate for the right to show a movie. Distributors are prohibited from taking bids or negotiating for the right to show a movie before potential exhibitors have the opportunity to see it.

All bids for the right to show a movie must be submitted in writing. Once bids are solicited, the right to show the movie must be awarded through this bidding process. After opening the bids, the distributor must notify each bidder of either the name of the winning bidder or of the fact that none of the bids was acceptable.

Violations of this act may give rise to civil action.

Summary of Bill: A violation of this act is a violation of the Consumer Protection Act.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: This act is meant to establish fair business practices, so it is appropriate to give investigative and prosecutorial power to enforce it to the Attorney General's office.

Testimony Against: There is already a private right of action for violations of this act. Adding government enforcement authority is not appropriate, as this act addresses private contractual disputes.

Testified: Elaine Rose, Attorney General's Office (pro); Paul Doyle, Grand Illusion Cinema (pro); Bruce Gardiner, Gordon Walgren, Motion Picture Exhibitors of WA (con); Celia Fritz, Richard Yarmuth, Motion Picture Assn. of America (con).