

HOUSE BILL REPORT

HB 1847

As Passed Legislature

Title: An act relating to on-premises sales of liquor other than wine by the manufacturer.

Brief Description: Allowing wine manufacturers that manufacture other liquors to sell the manufacturer's liquor products on its licensed premises.

Sponsors: By House Committee on Commerce & Labor (originally sponsored by Representatives Honeyford, McMorris and Dunn).

Brief History:

Committee Activity:

Commerce & Labor: 2/19/97, 3/3/97 [DP].

Floor Activity:

Passed House: 3/13/97, 90-1.

Passed Legislature.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 9 members: Representatives McMorris, Chairman; Honeyford, Vice Chairman; Conway, Ranking Minority Member; Wood, Assistant Ranking Minority Member; Boldt; Clements; Cole; Hatfield and Lisk.

Staff: Pam Madson (786-7166).

Background: The sale of spirituous liquor by the bottle to the public is controlled by the Liquor Control Board. The board operates liquor stores throughout the state where the public may purchase bottled liquor. In communities where no liquor store is located, the board may appoint liquor vendors who may sell spirituous liquor to the public in the same manner as a state liquor store.

Certain wineries produce a product that is over 24 percent of alcohol by volume making the product a spirituous liquor. The winery is appointed as a liquor vendor allowing it to sell its own product at its licensed premises only.

The attorney general issued an opinion in February 1996, interpreting the board's authority to appoint wineries as liquor vendors for the sale of their own product on their licensed premises. The attorney general concluded that the board does not have

authority to appoint a winery or a brewery to act as a liquor vendor in this manner. Wine products that qualify as spirituous liquor may not be sold at the winery.

Summary of Bill: The Liquor Control Board may appoint as a liquor vendor, a licensed manufacturer that also manufactures liquor products other than wine, to sell its own liquor products at its licensed location.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Several years ago the Liquor Control Board appointed a winery as a vendor to handle a distilled product that the winery manufactured. In 1988, such vendors were authorized by the Legislature to sell the product on Sundays. In 1996, the attorney general's Office issued an opinion that it is was not possible to appoint a winery as a vendor to sell its own product. This bill will allow the practice of selling a winery's own distilled product at the winery to continue.

Testimony Against: None.

Testified: Carter Mitchell, Liquor Control Board; and Victoria Chiechi Hinzey, Washington Wine Institute.