

# FINAL BILL REPORT

## SSB 6812

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Synopsis as Enacted

**Brief Description:** Allowing contract brewing by domestic brewers.

**Sponsors:** Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senator Prentice).

**Senate Committee on Commerce, Trade, Housing & Financial Institutions**  
**House Committee on Commerce & Labor**

**Background:** Beer and wine distributors must file with the Liquor Control Board the wholesale prices they charge to retailers. Distributors may not modify these prices without prior notice to the board and must have the board's approval.

Beer and wine manufacturers, importers and distributors who sell to other distributors must file with the board all contracts and memoranda that reflect the schedule of prices and other charges and discounts used in dealings with distributors. Prices must be uniform to all distributors and the charges cannot differ from those filed.

Current law defines brewer as any person engaged in the business of manufacturing beer and malt liquor. Domestic brewer is not defined in current liquor statutes.

**Summary:** Domestic brewery is defined as a place where beer is manufactured by a brewer in this state. The definition of brewer is modified to include a brand owner whose malt beverage is brewed under contract with an in-state brewery. An exception from price posting requirements is made for contract production of beer between a brand owner (brewer) and a licensed domestic brewery. The brand owner of contract-produced beer may not act as a distributor for its own product under a domestic brewery license.

**Votes on Final Passage:**

|        |    |   |                    |
|--------|----|---|--------------------|
| Senate | 44 | 0 |                    |
| House  | 98 | 0 | (House amended)    |
| Senate | 47 | 1 | (Senate concurred) |

**Effective:** June 8, 2000