

# FINAL BILL REPORT

## HB 1227

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Synopsis as Enacted

**Brief Description:** Concerning the waiver of restaurant corkage fees.

**Sponsors:** Representatives Ross, Taylor, Chandler, Hinkle, Warnick, Armstrong, Johnson, Moeller, Harris and Condotta.

**House Committee on State Government & Tribal Affairs**  
**Senate Committee on Labor, Commerce & Consumer Protection**

**Background:**

A restaurant selling liquor may be licensed by the Liquor Control Board as a spirits, beer, and wine restaurant or a beer and/or wine restaurant. Some restaurants allow patrons to bring their own wine to be served with the meal that they purchase. Restaurants typically charge a fee to open and serve this wine. This charge is referred to as a corkage fee. Restaurants are not required to charge a corkage fee.

The liquor tied house laws regulate the relationship between liquor manufacturers and distributors ("industry members") and retailers. Under the "financial interest" law, liquor industry members and retailers may have direct or indirect financial interests between and among each other unless the interest has caused or is likely to cause or result in undue influence or result in an adverse impact on public health and safety. Certain financial interests are specifically allowed; for example, a winery may also act as a retailer to sell wine at the winery. Under the "moneys' worth" law, no industry member may advance money or moneys' worth to a retailer and no retailer may receive money or moneys' worth under a written or unwritten agreement or through business practices. A number of exceptions to the prohibition on moneys' worth have been enacted. For example, industry members may provide branded promotional items to retailers under certain circumstances, and wineries may provide personal services such as pouring on retailer premises.

**Summary:**

An exception is created to both the financial interest and moneys' tied house laws to allow domestic wineries and restaurants licensed to sell beer and/or wine or spirits, or beer and/or wine, to enter into an arrangement to waive a corkage fee.

**Votes on Final Passage:**

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*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.*

House 94 0  
Senate 45 4

**Effective:** July 22, 2011