Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Government Accountability & Oversight Committee

HB 1351

Brief Description: Concerning the identification of wineries, breweries, and microbreweries on private labels.

Sponsors: Representatives Condotta and Hurst.

Brief Summary of Bill

 Allows wineries, breweries, microbreweries, certificate of approval holders, and retail licensees to create private labels for restaurants, private clubs, grocery stores, and specialty shops.

Hearing Date: 1/29/13

Staff: Trudes Tango (786-7384).

Background:

Washington's "tied house" laws regulate the relationship between liquor manufacturers, distributors ("industry members"), and retailers. In general, tied house laws are meant to regulate how liquor is marketed and prevent the vertical integration of the three tiers of the liquor industry. The general rule is that no industry member may advance and no retailer may receive moneys or money's worth under an agreement or by means of any other business practice or arrangement.

There are numerous exceptions to the tied house laws. One exception allows wineries to partner with retailers to create private label wines for restaurants and private clubs. The producers may be identified on the private labels.

Summary of Bill:

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.

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The exception to the tied house laws for private labeling is expanded. Wineries, breweries, microbreweries, certificate of approval holders, and retail licensees may create private labels identifying the producers, for restaurants, private clubs, grocery stores, and beer and/or wine specialty shops.

Appropriation: None.

Fiscal Note: Requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.