



Bill Title: **Financial Arrangements between Sports/Entertainment Facility Licensees and Liquor Manufacturers or Distributors (Tied-House Exceptions)**

Bill Number: **SSB 5721**

Amends: **RCW 66.24.570 (6)(a)(b) and (c)**

Background:

Creates exceptions to the tied-house laws to allow formerly restricted activities. These exceptions go into effect July 22, 2007. The following activities are now allowed:

- A manufacturer, importer, or distributor can now enter into an arrangement with a Sports/Entertainment Facility licensee or affiliated business for brand advertising at the facility.
- A manufacture, importer, or distributor can now promote events at the Sports/Entertainment Facility.

RCW 66.24.570 (6)(a)(b) and (c) have been added to read:

(6)(a) "A licensee and an affiliated business may enter into arrangements with a manufacturer, importer, or distributor for brand advertising at the sports/entertainment facility or promotion of events held at the sports/entertainment facility, with a capacity of five thousand people or more. The financial arrangements providing for the brand advertising or promotion of events shall not be used as an inducement to purchase the product of the manufacturer, importer, or distributor entering into the arrangement nor shall it result in the exclusion of brands or products of other companies.

(b) The arrangements allowed under this subsection (6) are an exception to arrangements prohibited under RCW 66.28.010. The board shall monitor the impacts of these arrangements. The board may conduct audits of the licensee and the affiliated business to determine compliance with the subsection (6). Audits may include but are not limited to product selection at the facility; purchase patterns of the licensee; contracts with the liquor manufacturer, importer, or distributor; and the amount allocated or used for liquor advertising by the licensee, affiliated business, manufacturer, importer, or distributor under the arrangements.

(c) The board shall report to the appropriate committees of the legislature by December 30, 2008, and biennially thereafter, on the impacts of arrangements allowed between sports/entertainment licensees and liquor manufacturers, importers, and distributors for brand advertising and promotion of events at the facility.

###