



Bill Description: Excluding the common carrier licensees from the definition of retailer for the purposes of the three-tier system.

Bill Number: ESSB 6095

Bill Sponsor: Senator Karen Keiser

Effective Date: June 11, 2020

Amends: RCW 66.28.310 and RCW 66.24.395.

Background

This bill was sought by Alaska Airlines after enforcement staff of the LCB discovered a provision of law previously allowing various alcohol-related activities by interstate common carriers (trains, vessels, or airplanes) was no longer in statute. LCB staff presumed that when Initiative-1183 privatizing liquor sales was drafted, this provision was inadvertently stricken and thus did not end up in law after the initiative passed. LCB brought this to the attention of Alaska Airlines and supported their efforts to fix the problem. The three-tier system and tied house laws are meant to separate manufacturers from retailers and to prohibit industry members from giving away anything of value would otherwise prohibit some of the activities that interstate common carriers, including airlines, have engaged in for many years. For example, one of the activities an airline was previously allowed to conduct was to fly wine home for their ticketed customers free of charge. This bill is meant to carve out an exception to the three-tier system separating industry members so interstate common carriers can continue to legally provide such services.

Bill Summary

- Authorizes industry members to provide branded promotional items of nominal value to interstate common carriers for use by employees and ticketed passengers.
- Authorizes wineries, breweries, and microbreweries to perform personal services for interstate common carriers. Personal services include pouring, bottle-signing events, and other educational and informational activities.
- Authorizes interstate common carriers to transport liquor purchased by a ticketed passenger if the liquor is not intended to be sold for resale; the carriers may also import alcohol purchased outside the state for sales and service, or to provide on complimentary basis, to passengers aboard trains, vessels, and airplanes.
- Allows interstate common carriers to sponsor a public or private event, including events hosted by an industry member.
- Allows interstate common carriers to participate in certain joint promotional activities.
- Allows liquor industry members to provide tastings to common carrier passengers, with or without charge.
- Allows an interstate common carrier to accept payment from an industry member for advertising in publications distributed to passengers if payment is consistent with advertising rates paid by other advertisers.

Contact Information:

If you have questions, please contact [Chris Thompson, Director of Legislative Relations](#).