

BILL SUMMARY
1st Session of the 59th Legislature

Bill No.:	SB422
Version:	ENGR
Request Number:	
Author:	Rep. Marti
Date:	4/27/2023
Impact:	No Impact

Research Analysis

The engrossed version of SB 422 modifies the procedures that must be in place for a brewer to terminate a distributor agreement with any beer distributor to include requiring the brewer to establish good cause for such termination.

The measure also requires the arbitration panel to order that 100% of arbitration costs be paid by the smaller brewer if the panel determines that the small brewer's payment upon termination was not a good-faith estimate of the fair market value.

The measure also exempts brewers that produce less than twenty-five thousand barrels of beer annually are from the termination provisions.

Prepared By: Matthew Brenchley

Fiscal Analysis

In its current form, SB422 modifies the procedures relating to the termination of an agreement between a brewer and a distributor. This measure does not mandate any action to any appropriated state agency, and is not expected to impact state revenues or state appropriations.

Prepared By: Zachary Penrod, House Fiscal Staff

Other Considerations

None.