

HOUSE BILL NO. 150

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Introduced: 3/22/99

Referred: Judiciary, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to franchise agreements for the sale of alcoholic beverages."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 04.16 is amended by adding a new section to read:

4 **Sec. 04.16.160. Alcoholic beverage franchise agreements.** (a) If more than
5 one franchise for the same brand of alcoholic beverage is awarded by an alcoholic
6 beverage supplier to different wholesalers in this state, the supplier awarding the
7 franchise may not discriminate between wholesalers in the terms, provisions, or
8 conditions of the franchise agreement. A franchise agreement for the sale of an
9 alcoholic beverage may not be unilaterally terminated by a supplier nor may a
10 wholesaler be required to withdraw from the agreement unless the supplier awarding
11 the franchise has established good cause for the termination or withdrawal.

12 (b) A wholesaler may bring a civil action to recover damages for a violation
13 of this section. It is a defense to a civil action for a violation of this section that the
14 alleged violation was done in good faith and for good cause.

15 (c) In this section,

1 (1) "franchise" means a contract or agreement between a supplier and
2 a wholesaler in which the wholesaler is awarded the right to offer, sell, and distribute
3 specified alcoholic beverages in this state;

4 (2) "supplier" means a distiller, brewer, vintner, or importer of alcoholic
5 beverages, and includes an exclusive agent for a distiller, brewer, vintner, or importer
6 of alcoholic beverages;

7 (3) "wholesaler" means a person licensed under AS 04.11.160.

8 * **Sec. 2. APPLICABILITY.** This Act applies to a contract or agreement entered into on
9 or after the effective date of this Act.