



February 18, 2025

The Honorable Glenn Youngkin  
Office of the Governor  
Post Office Box 1475  
Richmond, Virginia 23218

Governor Youngkin:

On behalf of Virginia's independent, family-owned beer and wine distributors, we would respectfully ask you to sign House Bill 1703 (Bulova) and Senate Bill 834 (Favola) without amendments. These companion bills are identical. This important legislation updates confusing language in the code and codifies ABC's longstanding tied house rule that no alcohol manufacturer or wholesaler may own or lease a retailer's premise.

Tied House laws were established nationwide to address monopolistic and corrupt practices that once plagued the U.S. alcohol industry. They now serve as an integral part of our trusted Three-Tier System, which separates the alcoholic beverage industry's manufacturing, distribution, and retail operations. The Three Tier System is established through the code, with tied house laws being a critical component of the policy. Tied House laws protect retailers from undue influence by suppliers and ensure fair competition, consumer choice, and a balanced marketplace. Without these protections, manufacturers could pressure retailers into exclusivity agreements, leading to limited options and higher prices for consumers.

Being that this has been the law of the land for decades, there is no known opposition to the bill. Both House Bill 1703 and Senate Bill 834 passed both chambers without a negative vote.

Again, we would respectfully ask you to sign both bills unamended. Please let us know should you or your staff have any questions or concerns regarding the bill. We are happy to provide any additional information you may need.

Sincerely,

Philip H. Boykin  
President & CEO  
Virginia Beer Wholesalers Association

Tripp Perrin  
Executive Director  
Virginia Wine Wholesalers Association