

SENATE BILL REPORT

SHB 2634

As Reported By Senate Committee On:
Labor, Commerce & Trade, February 22, 1996

Title: An act relating to the sale of malt liquor in kegs.

Brief Description: Authorizing the sale of malt liquor in untapped kegs by class H licensees.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Scott, Mason, Linville, Schoesler, Sheldon, Jacobsen and Veloria).

Brief History:

Committee Activity: Labor, Commerce & Trade: 2/21/96, 2/22/96 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Deccio, Franklin, Fraser, McDonald, Newhouse and Wojahn.

Staff: Traci Ratzliff (786-7452)

Background: Under the state's system of licensing the sale of alcohol, a Class H licensee may sell alcohol, including beer and wine, by the drink to the public which must consume it on the premises of the licensee. A Class H licensee may not hold any other retail license and may not sell alcohol in a closed container to be consumed away from the licensee's premise.

Taverns may sell beer to the public to be consumed on the premises or may sell beer to be taken off the premises in a closed container to be consumed elsewhere.

Restaurants, such as pizza parlors, may sell beer to the public to be consumed on the premises and may also sell beer to be taken off the premises for consumption.

Summary of Bill: Liquor licensees who convert their licenses from a Class A or B in combination with Class E licenses (sale of beer for consumption on or off the premises including kegs) to Class H licenses may continue to sell beer in untapped kegs if authorized by the Liquor Control Board. This provision applies to licensees who converted after January 1, 1993.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will allow taverns that have converted to restaurants to sell kegs to go. Current law prohibits this activity.

Testimony Against: This bill will be difficult to administer and control because the majority of Class H restaurants will not be able to sell kegs but a minority will be allowed to do this and will need to be regulated accordingly.

Testified: Rep. Scott, prime sponsor (pro); Greg Ortega, owner of Sporty's Tavern (pro); Carter Mitchell, Liquor Control Board (con).