# By Representative Heavey

# SSB 5557 - H COMM AMD

By Committee on Commerce & Labor

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 66.04.010 and 1991 c 192 s 1 are each amended to read as follows:

In this title, unless the context otherwise requires:

- (1) "Alcohol" is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance. The term "alcohol" does not include alcohol in the possession of a manufacturer or distiller of alcohol fuel, as described in RCW 66.12.130, which is intended to be denatured and used as a fuel for use in motor vehicles, farm implements, and machines or implements of husbandry.
- (2) "Alcohol server" means any person serving or selling alcohol, spirits, wines, or beer for consumption at an on-premises retail licensed facility as a regular requirement of his or her employment, and shall include those persons eighteen years of age or older permitted by the liquor laws of this state to serve alcoholic beverages with meals.
- (3) "Beer" means any malt beverage or malt liquor as these terms are defined in this chapter.
- $((\frac{3}{3}))$   $\underline{(4)}$  "Brewer" means any person engaged in the business of manufacturing beer and malt liquor.
- ((4)) "Board" means the liquor control board, constituted under this title.
- $((\frac{5}{1}))$   $\underline{(6)}$  "Club" means an organization of persons, incorporated or unincorporated, operated solely for fraternal,

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- benevolent, educational, athletic or social purposes, and not for
  pecuniary gain.
  - $((\frac{6}{}))$  <u>(7)</u> "Consume" includes the putting of liquor to any use, whether by drinking or otherwise.
  - $((\frac{7}{1}))$  (8) "Dentist" means a practitioner of dentistry duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.32 RCW.
  - $((\frac{(8)}{(9)}))$  "Distiller" means a person engaged in the business of distilling spirits.
  - $((\frac{9}{}))$  (10) "Druggist" means any person who holds a valid certificate and is a registered pharmacist and is duly and regularly engaged in carrying on the business of pharmaceutical chemistry pursuant to chapter 18.64 RCW.
  - (((10))) (11) "Drug store" means a place whose principal business is, the sale of drugs, medicines and pharmaceutical preparations and maintains a regular prescription department and employs a registered pharmacist during all hours the drug store is open.
  - (((11))) (12) "Employee" means any person employed by the board, including a vendor, as hereinafter in this section defined.
    - ((<del>(12)</del>)) <u>(13)</u> "Fund" means 'liquor revolving fund.'
  - ((+13+)) (14) "Hotel" means every building or other structure kept, used, maintained, advertised or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which twenty or more rooms are used for the sleeping accommodation of such transient guests and having one or more dining rooms where meals are served to such transient guests, such sleeping accommodations and dining rooms being conducted in the same building and buildings, in connection therewith, and such structure or structures being provided, in the judgment of the board, with adequate and sanitary kitchen and dining room equipment and capacity, for preparing, cooking and serving suitable food for its guests: PROVIDED FURTHER, That in

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cities and towns of less than five thousand population, the board shall have authority to waive the provisions requiring twenty or more rooms.

- $((\frac{14}{1}))$  (15) "Imprisonment" means confinement in the county jail.
- ((<del>(15)</del>)) (16) "Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine and beer), and all fermented, spirituous, vinous, or malt liquor, or combinations thereof, and mixed liquor, a part of which is fermented, spirituous, vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid, or other substance, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating. Liquor does not include confections or food products that contain one percent or less of alcohol by weight.
- (((16))) "Manufacturer" means a person engaged in the preparation of liquor for sale, in any form whatsoever.
- ((\(\frac{(17)}{17}\)) (18) "Malt beverage" or "malt liquor" means any beverage such as beer, ale, lager beer, stout, and porter obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than eight percent of alcohol by weight, and not less than one-half of one percent of alcohol by volume. For the purposes of this title, any such beverage containing more than eight percent of alcohol by weight shall be referred to as "strong beer."
- (((18))) (19) "Package" means any container or receptacle used 31 for holding liquor.
- (((19))) (20) "Permit" means a permit for the purchase of liquor under this title.

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- $((\frac{20}{10}))$  <u>(21)</u> "Person" means an individual, copartnership, association, or corporation.
  - $((\frac{(21)}{)})$  (22) "Physician" means a medical practitioner duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.71 RCW.
  - (((22))) (23) "Prescription" means a memorandum signed by a physician and given by him to a patient for the obtaining of liquor pursuant to this title for medicinal purposes.
  - $((\frac{23}{23}))$  (24) "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments where beer may be sold under this title, soft drink establishments, public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.
  - $((\frac{24}{1}))$  "Regulations" means regulations made by the board under the powers conferred by this title.
  - (((25))) (26) "Restaurant" means any establishment provided with special space and accommodations where, in consideration of payment, food, without lodgings, is habitually furnished to the public, not including drug stores and soda fountains.
  - (27) "Retail licensed premises" means any premises licensed to sell alcohol by the glass or by the drink, or in original containers primarily for consumption on the premises as authorized

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- by RCW 66.24.320, 66.24.330, 66.24.340, 66.24.350, 66.24.400, 66.24.425, 66.24.490, and 66.24.495. Domestic wineries holding class C licenses shall not be classified as retail licensed premises for purposes of this act.
  - ((\(\frac{(26)}\))) (28) "Sale" and "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever, of liquor, or of any liquid known or described as beer or by any name whatever commonly used to describe malt or brewed liquor or of wine, by any person to any person; and also include a sale or selling within the state to a foreign consignee or his agent in the state. "Sale" and "sell" shall not include the giving, at no charge, of a reasonable amount of liquor by a person not licensed by the board to a person not licensed by the board, for personal use only. "Sale" and "sell" also does not include a raffle authorized under RCW 9.46.0315: PROVIDED, That the nonprofit organization conducting the raffle has obtained the appropriate permit from the board.
  - $((\frac{27}{1}))$  <u>(29)</u> "Soda fountain" means a place especially equipped with apparatus for the purpose of dispensing soft drinks, whether mixed or otherwise.
  - $((\frac{(28)}{)})$  <u>(30)</u> "Spirits" means any beverage which contains alcohol obtained by distillation, including wines exceeding twenty-four percent of alcohol by volume.
  - $((\frac{29}{1}))$  (31) "Store" means a state liquor store established under this title.
  - (((30))) (32) "Tavern" means any establishment with special space and accommodation for sale by the glass and for consumption on the premises, of beer, as herein defined.
  - (((31))) <u>(33)</u> "Vendor" means a person employed by the board as a store manager under this title.
- (((32))) (34) "Winery" means a business conducted by any person for the manufacture of wine for sale, other than a domestic winery.

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(((33))) (35) "Domestic winery" means a place where wines are manufactured or produced within the state of Washington.

(((34))) (36) "Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, et cetera) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during or after fermentation, and containing not more than twenty-four percent of alcohol by volume, including sweet wines fortified with wine spirits, such as port, sherry, muscatel and angelica, not exceeding twenty-four percent of alcohol by volume and not less than one-half of one percent of alcohol by volume. For purposes of this title, any beverage containing no more than fourteen percent of alcohol by volume when bottled or packaged by the manufacturer shall be referred to as "table wine," and any beverage containing alcohol in an amount more than fourteen percent by volume when bottled or packaged by the manufacturer shall be referred to as "fortified However, "fortified wine" shall not include: (a) Wines that are both sealed or capped by cork closure and aged two years or more; and (b) wines that contain more than fourteen percent alcohol by volume solely as a result of the natural fermentation process and that have not been produced with the addition of wine spirits, brandy, or alcohol.

This subsection shall not be interpreted to require that any wine be labeled with the designation "table wine" or "fortified wine."

 $((\frac{35}{35}))$   $(\frac{37}{35})$  "Beer wholesaler" means a person who buys beer from a brewer or brewery located either within or beyond the boundaries of the state for the purpose of selling the same pursuant to this title, or who represents such brewer or brewery as agent.

(((36))) (38) "Wine wholesaler" means a person who buys wine from a vintner or winery located either within or beyond the boundaries of the state for the purpose of selling the same not in

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- violation of this title, or who represents such vintner or winery as agent.
  - Sec. 2. RCW 66.44.270 and 1987 c 458 s 3 are each amended to read as follows:
  - (1) It is a gross misdemeanor for any person to sell, give, or otherwise supply liquor to any person under the age of twenty-one years or permit any person under that age to consume liquor on his or her premises or on any premises under his or her control, with knowledge that the person receiving or consuming the liquor is under the age of twenty-one years. A minimum fine of two hundred fifty dollars shall be imposed on any person who is convicted of a violation of this subsection.
  - (2) It is ((unlawful)) a misdemeanor for any person to sell, give, or otherwise supply liquor to any person under the age of twenty-one years or permit any person under that age to consume liquor on his or her premises or on any premises under his or her control, without knowledge of the fact that the person receiving or consuming the liquor is under the age of twenty-one years.
  - $((\frac{(2)}{2}))$  (3) It is unlawful for any person under the age of twenty-one years to possess, consume, or otherwise acquire any liquor.
  - $((\frac{3}{2}))$  (4) This section does not apply to liquor given or permitted to be given to a person under the age of twenty-one years by a parent or guardian and consumed in the presence of the parent or guardian. This subsection shall not authorize consumption or possession of liquor by a person under the age of twenty-one years on any premises licensed under chapter 66.24 RCW.
  - ((4))) (5) This section does not apply to liquor given for medicinal purposes to a person under the age of twenty-one years by a parent, guardian, physician, or dentist.
  - (((5))) (6) This section does not apply to liquor given to a person under the age of twenty-one years when such liquor is being

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used in connection with religious services and the amount consumed is the minimal amount necessary for the religious service.

((+6)) (7) Conviction or forfeiture of bail for a violation of this section by a person under the age of twenty-one years at the time of such conviction or forfeiture shall not be a disqualification of that person to acquire a license to sell or dispense any liquor after that person has attained the age of twenty-one years.

NEW SECTION. Sec. 3. A new section is added to chapter 66.44 RCW to read as follows:

It is a gross misdemeanor for a person to knowingly present the identification of another person or a forged, fraudulent, altered, counterfeit, or otherwise false identification card to acquire, possess, purchase, or obtain liquor. A minimum fine of two hundred fifty dollars shall be imposed on any person who is convicted of a violation of this section.

- 17 **Sec. 4.** RCW 66.44.310 and 1981 1st ex.s. c 5 s 24 are each amended to read as follows:
  - (1) Except as otherwise provided by RCW  $\underline{66.44.270}$ ,  $\underline{66.44.316}$ , and  $\underline{66.44.350}$  (7) it shall be a misdemeanor((7)):
  - (a) To serve or allow to remain on the premises of any tavern, or cocktail lounge portion of any class H licensed premises, any person under the age of twenty-one years;
  - (b) For any person under the age of twenty-one years to enter or remain on the premises of any tavern, or cocktail lounge portion of any public class H licensed premises; or
  - (c) For any person under the age of twenty-one years to represent his <u>or her</u> age as being twenty-one or more years for the purpose of securing admission to, or remaining on the premises of, any tavern or cocktail lounge portion of any class H licensed premises.

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- (2) The Washington state liquor control board shall have the power and it shall be its duty to classify the various licensees, as taverns or otherwise, within the meaning of this title, except bona fide restaurants, dining rooms and cafes serving commercial food to the public shall not be classified as taverns during the hours such food service is made available to the public.
- NEW SECTION. Sec. 5. A new section is added to chapter 66.20 RCW to read as follows:
- (1) There is an alcohol seller permit to be known as a class 12 permit, authorizing the holder to provide the services of an alcohol server for a period of five years or more for the initial permit and renewable every five years thereafter. The permit shall be in a form prescribed by the board.
- (a) Training requirements for persons seeking the class 12 permit will be established by the board.
- (b) Training for a class 12 permit must be through a board-certified program provided by the licensee, labor organizations, independent contractors, private or public schools, or licensee associations, such as the nationally recognized training for intervention programs or techniques in alcohol management programs or by the board itself. The board shall offer the option of live classroom training or a videotaped training session produced and distributed by the board.
- (c) Multiple copies of the videotape will be made available by the board at a nominal fee to cover the cost of reproduction and shipment with any fees so collected being deposited in the liquor revolving fund.
- (d) Every class 12 permit issued shall be issued in the name of the applicant and no other person shall use the permit of another permit holder. The holder shall present the permit upon request to inspection by any representative of the liquor control board or peace officer.

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- (e) No licensee shall employ or accept the services of an alcohol server, as defined in RCW 66.04.010, without the alcohol server first having taken the training and examination for a class 12 permit. The board shall correct the examination and issue a permit for anyone successfully completing the examination within thirty days from the date the person commences work for the licensee. An individual may sell or serve liquor during the time which the board takes to process the permit. An individual may retake the examination any time after being notified by the board that he or she has failed the examination. However, an individual may not sell or serve liquor more than thirty days after completing the training requirements unless he or she has obtained a valid class 12 permit, or if the board has failed to correct the examination and issue a permit within thirty days after receiving the examination.
- (2) Every permit issued under this section is valid for a period of at least five years unless earlier denied, suspended, or revoked. A person whose permit has been denied, suspended, or revoked shall immediately return the permit to the board.
- (3) The board may suspend the permit of a permittee who has been convicted of two or more violations of RCW 66.44.270(2) or 66.44.200 or one or more violations of RCW 66.44.270(1). Subsequent convictions may result in revocation of the permit.
- (4)(a) It is a violation of this title for a licensee or permittee to allow or require an employee to provide the services of an alcohol server if the employee has not taken the required training or completed the prescribed examination, or whose current class 12 permit is either revoked or suspended. An employee of a licensee shall be paid his or her usual wage and benefits for the time taken to fulfill the alcohol server training and examination requirements. If an employer does not pay for the training, then the employee may choose which training program to attend.
  - (b) It is a violation of this title for a person whose class

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- 1 12 permit has been denied, suspended, or revoked to accept 2 employment as an alcohol server.
- NEW SECTION. Sec. 6. A new section is added to chapter 66.44
  RCW to read as follows:
  - (1) The board shall administer the required alcohol server training program by:
  - (a) Reviewing and certifying training programs that fulfill the requirements under section 5 of this act;
  - (b) Producing and distributing for employers to administer to their employees an examination and examination procedure to be administered following completion of the certified training program or training provided by the board;
  - (c) Correcting examinations and issuing class 12 permits to those individuals who successfully complete the examination;
  - (d) Taking administrative actions against those class 12 permit holders who have violated the provisions of this title and taking appropriate actions against others who have been involved in violations of this title.
  - (2) The annual cost of a class A, B, C, D, H, I, and L retail liquor license, except a class C license held by a domestic winery, shall be increased in the amount of twenty dollars in order to provide funding for the alcohol server training program.
  - (3) The board shall review and update the curricula to maintain accuracy with existing statutes and rules adopted to administer the liquor laws of the state.
- NEW SECTION. Sec. 7. This act shall take effect January 1, 1994, except for section 5 of this act which shall take effect July 1, 1995.
- 29 <u>NEW SECTION.</u> **Sec. 8.** The liquor control board may take such 30 steps as are necessary to ensure that this act is implemented on

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- 1 its effective date, including issuing class 12 permits, beginning
- on January 1, 1994, which will be valid for five years or more, in
- 3 order to facilitate a balanced and orderly transition. Any class
- 4 12 permit issued on July 1, 1995, or later, shall be valid for five
- 5 years.
- 6 <u>NEW SECTION.</u> **Sec. 9.** If any provision of this act or its
- 7 application to any person or circumstance is held invalid, the
- 8 remainder of the act or the application of the provision to other
- 9 persons or circumstances is not affected.
- 10  $\underline{\text{NEW SECTION.}}$  Sec. 10. The sum of one hundred thousand
- dollars, or as much thereof as may be necessary, is appropriated
- for the biennium ending June 30, 1995, from the general fund to the
- 13 liquor revolving fund for the purpose of funding the initial cost
- of implementing this act. The full amount of the appropriation
- shall be repaid by June 30, 1995, from the proceeds of the
- increased license fees provided in section 6 of this act."

<u>EFFECT:</u> Criminal penalties for supplying liquor to a minor and for using false identification to purchase liquor are increased. Persons who sell liquor must complete an alcohol seller training program and pass an examination in order to obtain an alcohol seller's permit.

It is a gross misdemeanor, punishable by a mandatory fine of at least \$250, for a person to unlawfully sell or supply liquor to a minor if the supplier knows that the person receiving the liquor is a minor. It is also a gross misdemeanor, punishable by a mandatory fine of at least \$250, for a person to knowingly present the identification of another person or false identification to purchase or obtain liquor.

After July 1, 1995, individuals participating in the sale or service of alcoholic beverages for on-premise consumption are required to obtain a class 12 permit from the Liquor Control Board. Those employed by domestic wineries wineries holding

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a class C license are exempt. The permit authorizes the holder to serve or sell alcoholic beverages for a period of five years or more. The holder shall present the permit upon request for inspection by any representative of the board or any peace officer.

A licensee may not allow or require an employee to provide the services of an alcohol server without such person first having completed the training and examination requirements for a class 12 permit. Within 30 days, the board shall correct the examination and issue a permit to any successful applicant. The applicant may sell or serve liquor during the time which the board takes to process the permit, even if it exceeds 30 days. An applicant may retake the examination any time after being notified that he or she has failed the examination.

An employee of a licensee is entitled to his or her usual wages and benefits for the time taken to fulfill the alcohol seller training and examination requirements. If an employer does not pay for the training, the employee may choose which training program to attend.

The board is directed to administer an alcohol server training program. The board shall offer the option of live classroom training or videotaped training. The videotape will be made available at a nominal fee to cover the cost of reproduction and shipping. The annual cost of a class A, B, C, D, H, I, and L retail liquor license will be increased by \$20 to fund the program.

The board may review and certify programs provided by licensees, labor organizations, liquor licensee associations, independent contractors, or private or public schools. The board shall produce and distribute an examination for employers to administer to their employees and the board shall correct the examinations. The board shall review and update the curricula of the training programs to maintain accuracy with existing liquor statutes and rules.

The sum of \$100,000 is appropriated from the state general fund to the liquor fund to fund the initial cost of implementing this act. The full amount of the appropriation shall be repaid by June 30, 1995, from the proceeds of the increased license fees.

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