

HOUSE BILL REPORT

SB 5128

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to registration for kegs or other similar containers for malt liquor.

Brief Description: Raising keg registration container size requirements from four to five and one-half gallons.

Sponsors: Senators Moore, Newhouse, Snyder and Amondson.

Brief History:

Reported by House Committee on:
Commerce & Labor, March 19, 1993, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 7 members:
Representatives G. Cole, Vice Chair; Lisk, Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Jim Kelley (786-7166).

Background: A class E liquor license entitles the licensee to sell beer at retail for off-premises consumption in bottles and original packages, but not to sell malt liquor in kegs or other containers capable of holding four gallons or more of liquid.

Only licensees holding a class A or B license in combination with a class E license may sell malt liquor in kegs or other containers capable of holding four gallons or more of liquid. If such a sale is made to a person other than a licensee, then the following keg registration procedure must be followed:

- 1) The purchaser of the malt liquor must sign a declaration and receipt for the keg;
- 2) The purchaser must provide suitable identification;
- 3) The purchaser must sign a sworn statement that he or she is of legal age, that he or she will not allow any minor to consume the beverage, and that he or she will not remove or obliterate the identification that is affixed to the container;

- 4) The purchaser must state the particular address where the malt liquor will be consumed; and
- 5) The purchaser must maintain a copy of the declaration and receipt adjacent to the keg when it is under his or her control.

In other states, some brewers sell beer at retail in containers that are capable of holding more than four gallons, but less than five and one-half gallons, of liquid. Generally, these containers appear more similar to wine boxes than traditional beer kegs. The Washington liquor code does not allow for licensees holding only a class E beer retailer license to sell these products.

Summary of Bill: Class E beer retailers are allowed to sell malt liquor in kegs or other containers that are capable of holding less than five and one-half gallons. However, any sale of malt liquor in containers capable of holding more than four gallons of liquid is subject to the keg registration statute.

The Liquor Control Board may charge class E licensees for the costs of providing the forms used in the keg registration program.

Fiscal Note: Available.

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

Testimony For: This is the same as the House Bill that has already passed out of the House of Representatives. The Liquor Control Board has no objection to the bill as long as the keg registration provisions are in it.

Testimony Against: None.

Witnesses: Stu Halsan, Coors Brewing Company (in favor); and Carter Mitchell, Liquor Control Board (responded to questions).