

HOUSE BILL REPORT

SSB 5557

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to alcohol servers on-premises with class A, B, C, D, H, I, and L licenses.

Brief Description: Regulating alcohol servers.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Prentice, Prince, Vognild, Amondson, Bauer and Franklin).

Brief History:

Reported by House Committee on:
Commerce & Labor, March 31, 1993, DPA.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Minority Report: Without recommendation. Signed by 1 member: Representative Chandler, Assistant Ranking Minority Member.

Staff: Jim Kelley (786-7166).

Background: Individuals who participate in the sale or service of alcoholic beverages at establishments licensed to sell alcoholic beverages for on-site consumption are not required to be licensed. In addition, there are no requirements that alcohol servers participate in any type of formal training in the service of alcoholic beverages, the effects of alcohol on consumers, or the state laws pertaining to the service of alcohol. The Liquor Control Board does provide, on a limited basis, voluntary training of alcohol servers for those establishments requesting such training.

Summary of Amended Bill: 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.

Criminal provisions

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.

Class 12 permit

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 holding 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.

Alcohol server training program

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.

Amended Bill Compared to Substitute Bill: The amended bill increases penalties for knowingly providing liquor to a minor and for using false identification to purchase liquor.

The amended bill requires an alcohol server to take the training and examination prior to employment as an alcohol server. Under the amended bill, the employee is entitled to his or her usual wages and benefits during the time taken for the training and examination. If the employer does not pay for the training, the employee may choose which program to attend.

The amended bill authorizes the board to offer a videotaped training program. The sum of \$100,000 is appropriated to the board to administer the program. The appropriation will be repaid by the end of the biennium from the proceeds of a \$20 increase in liquor license fees.

Fiscal Note: Available. New fiscal note requested on amended bill April 1, 1993.

Appropriation: \$100,000 from the general fund to the liquor revolving fund for the purpose of funding the initial cost of implementing this act.

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

Testimony For: (Substitute Senate Bill): Training in Oregon has significantly reduced the number of accidents. Brief training by videotape will not be enough. The industry wants more regulation. We are selling a dangerous drug. It is only fair that the employee pay for the permit, just as with other professional licenses. The permit stays with the server for five years. This program will save lives and prevent crime.

Testimony Against: (Substitute Senate Bill): The cost is not established in the bill. It is obvious that the employees would get stuck with the cost of the training and examination, even though it would be the employer who would derive the benefit. The server is never in complete control of consumption. Only the owner can control whether someone stays or goes.

Witnesses: Jackie Chase and Sharon Chase, Advance Training (in favor); Vern Pruss and Ron Sellar, Washington State Licensed Beverage Association (in favor); Gail A. Fullerton, alcohol server (opposed); Mike Redman, Washington Association of Prosecuting Attorneys (in favor); Phil Wayt, Washington Beer and Wine Wholesalers (in favor); Carter Mitchell, Liquor Control Board (in favor); and Steven Aldrich, Hotel and Restaurant Employees (opposed).