

HOUSE BILL ANALYSIS

HB 1651

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

Sponsors: Representatives Scott, Costa, Conway and Hatfield

Hearing: February 19, 1997

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. Class H licensees are typically restaurants with cocktail lounges where food is served along with alcohol. 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 (Class B license), or may sell beer to be taken off the premises in a closed container to be consumed elsewhere (Class E license). Under a Class B license, access to the premises is restricted to persons 21 years of age or older.

Restaurants, such as pizza parlors, may sell beer to the public to be consumed on the premises (Class A license) and may also sell beer to be taken off the premises for consumption (Class E).

Only Class A and Class B licensees (on-premises consumption) who also hold a Class E license (off-premises consumption) may sell malt liquor in kegs or other containers that hold at least four gallons. Class H licensees may not hold Class E licenses (off-premises consumption) and may not sell beer in kegs.

SUMMARY OF BILL:

Liquor licensees who convert their Class AE or BE combination licenses allowing the 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.

RULES AUTHORITY: The bill does not contain provisions addressing the rule-making powers of an agency.

FISCAL NOTE: Not requested.

EFFECTIVE DATE: Ninety days after adjournment of session in which bill is passed.