

# HOUSE BILL ANALYSIS

## HB 2464

**Brief Description:** Reimbursing agency liquor vendors for credit sales of liquor.

---

**Sponsors:** Honeyford, Robertson, Conway and Zellinsky.

Hearing: January 21, 1998

### **BACKGROUND:**

In 1997, the Liquor Control Board was authorized to allow the use of credit and debit cards by non-licensees for purchases of liquor in all state liquor stores and agency liquor stores. The Board was given rule-making authority to implement the use of credit and debit cards at both state liquor stores and agency liquor stores.

The Board was authorized to use money from the liquor revolving fund to pay transaction fees associated with credit and debit card purchases. The law was silent on the payment of other costs associated with credit and debit card purchases incurred by liquor vendors operating agency liquor stores.

As of December, 1997, all state liquor stores were equipped to use credit and debit cards for retail liquor purchases. The Board has initiated the rule-making process for implementing the use of credit and debit cards by liquor vendors in agency stores. Pending adoption of rules, those liquor vendors who wish to use credit and debit cards for liquor purchases may do so at their own expense.

Agency liquor stores are located in areas of the state where no state liquor store exists. The Board may appoint a person as a liquor vendor who sells spirits either through an existing private retail business such as a drug store or grocery store or as a separate business. Liquor vendors operating agency stores are considered independent contractors.

A report evaluating the implementation of this program was due January 1, 1998.

### **SUMMARY OF BILL:**

Statutory reference to transaction fees associated with credit and debit card purchases is clarified to include transaction fees for both state liquor stores and liquor vendors' agency stores.

The Board shall provide a report evaluating the implementation of credit and debit card use so long as rules adopted by the Board facilitate reimbursement to liquor vendors of costs and fees in addition to transaction fees associated with credit card purchases of liquor.

**RULES AUTHORITY:** The bill does contain provisions addressing the rule-making powers of an agency.

**APPROPRIATION:** None.

**FISCAL NOTE:** Requested January 20, 1998.

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