

# FINAL BILL REPORT

## SSB 6253

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Synopsis as Enacted

**Brief Description:** Reimbursing state liquor stores and agency liquor vendors for costs of credit and debit sales of liquor.

**Sponsors:** Senate Committee on Commerce & Labor (originally sponsored by Senators Schow, Horn, Swecker, Rasmussen, Goings and T. Sheldon).

**Senate Committee on Commerce & Labor**

**House Committee on Commerce & Labor**

**House Committee on Appropriations**

**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:** The Liquor Control Board is authorized to pay for the costs of supplying, installing and maintaining equipment used by agency liquor vendor stores for the sale of liquor by debit or credit card in these stores. This equipment must only be used for the purchase of liquor. The costs associated with such equipment is paid for from the liquor revolving fund.

An intent section is added stating that implementation of credit and debit card purchases in agency liquor vendor stores must not reduce the liquor revolving fund balance and the resulting transfers to the general fund.

If expenditures made in implementing credit and debit card use in state liquor stores and agency liquor vendor stores exceed the revenue generated, the board must consider raising retail prices of alcohol products to offset the excess.

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

**Votes on Final Passage:**

Senate	41	7	
House	89	8	(House amended)
Senate			(Senate refused to concur)
House			(House refused to recede)
Senate	40	4	(Senate concurred)

**Effective:** June 11, 1998