

SENATE BILL REPORT

SB 5712

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, March 2, 1999

Title: An act relating to motel liquor licenses.

Brief Description: Regulating motel liquor licenses.

Sponsors: Senators Prentice, Hale, Bauer, West and Winsley.

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 3/2/99, 3/2/99 [DPS].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 5712 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Shin, Vice Chair; Benton, Gardner, Hale, Rasmussen, T. Sheldon, West and Winsley.

Staff: Catherine Mele (786-7470)

Background: The Liquor Control Board (LCB) may issue a motel retail liquor license to a facility that offers three or more self contained units to travelers for overnight lodging. The licensee may sell spirits, beer, and wine in small containers through a locked honor bar located in the guest's room. An honor bar is a cabinet or refrigerator secured by a lock to which the guest has access. The honor bar must also contain snack foods.

A motel licensee may not hold any other liquor license. Typically, a motel license is issued to a facility that does not have a restaurant on the premises.

A guest must be 21 years of age or older to use a room with an honor bar and must verify that no one under the age of 21 will have access to the liquor in the honor bar.

No more than half of the guest rooms in a licensee's facility may have honor bars. The LCB sets the fee for this license. The current fee is \$300. As of 1997, there was one motel licensee.

The LCB may issue a special permit to allow a business not otherwise licensed by the LCB to serve liquor that is consumed on the business premises. All liquor purchased by the business for this purpose must be purchased at retail from a licensed retailer. Liquor provided to guests under this permit must be provided at no charge and in a specified location.

The permit is issued for one year and the permit fee is \$500.

Summary of Substitute Bill: The restriction against a motel licensee holding any other liquor license is removed. A motel facility may supply all its rooms with honor bars rather than being restricted to only half of its total number of rooms.

A motel license also allows the licensee to serve beer and wine by the individual serving to overnight guests without additional charge. The service must be on a regular date, at a regular time and place as set by the LCB. The beer and wine must be served by an employee who has received alcohol server training. No self service is authorized.

The annual license fee is established by the Legislature rather than the LCB at \$500.

Substitute Bill Compared to Original Bill: The definition of motel is changed to include facilities that do not have self contained units such as bed and breakfast facilities.

Appropriation: None.

Fiscal Note: Requested on February 25, 1999.

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

Testimony For: The Liquor Control Board supports this legislation. There has been great growth in the lodging industry. The extended stay motels now provide free breakfasts. In some parts of the country they also provide a manager's reception in the evening and provide free beer and wine service. In order to be competitive with full service facilities, these changes are necessary.

Testimony Against: None.

Testified: Chuck Dalrymple, WA State Liquor Control Board (pro); Becky Bogard, WA State Hotel and Motel Assn. (pro); Mark Triplett (pro).