

# SENATE BILL REPORT

## SB 5527

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As Passed Senate, March 13, 2001

**Title:** An act relating to liquor by the drink at special events at restricted clubs.

**Brief Description:** Allowing private clubs to serve liquor at special events.

**Sponsors:** Senators Snyder, McDonald, Prentice, Winsley and Kohl-Welles.

**Brief History:**

**Committee Activity:** Labor, Commerce & Financial Institutions: 2/22/01, 2/26/01 [DP].  
Passed Senate: 3/13/01, 44-2.

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### SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

**Majority Report:** Do pass.

Signed by Senators Prentice, Chair; Gardner, Vice Chair; Benton, Deccio, Fairley, Hochstatter, Honeyford, Patterson, Rasmussen, Regala, West and Winsley.

**Staff:** Catherine Mele (786-7470)

**Background:** A full-service private club license allows the licensee to serve liquor by the drink on the club's premises to club members, guests, and visitors. A club must be a nonprofit organization with a social, educational, benevolent, or athletic purpose. In 1998, the Legislature passed a law giving these clubs a special endorsement on their license that allowed the club to have up to 40 nonclub events using club liquor. Events must be sponsored by club members and may not be open to the general public.

There are concerns that private clubs that do not qualify as nonprofit should have the same endorsement to their liquor license as nonprofit clubs.

**Summary of Bill:** A private club that restricts membership through selected criteria may obtain an endorsement for up to 40 nonclub member sponsored events using club liquor. Visitors and guests may attend the events only by invitation of the sponsoring members. The general public may not attend these events. The endorsement costs \$900 annually. At the request of the board the club must provide (at least 72 hours before the event) notice of the date, time, and location of the event; the event sponsor; and a brief description of the purpose of the event.

**Appropriation:** None.

**Fiscal Note:** Requested on February 21, 2001.

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

**Testimony For:** This bill is needed to provide private clubs with the same provisions that nonprofit clubs have in the law. This bill only applies to five clubs in the state of Washington.

**Testimony Against:** None.

**Testified:** Stu Halsan, WA State Federation of Clubs (pro).