

SSB 5982 - S AMD 480

By Senators Hewitt, Prentice, Zarelli, Doumit

ADOPTED 06/10/2003

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 66.08 RCW
4 to read as follows:

5 The legislature finds that the liquor control board has developed
6 a retail services business plan to provide greater efficiency of
7 operations and to maximize revenues to the state. The legislature
8 intends to examine whether expanding liquor store operations to include
9 Sundays would provide additional revenue and provide increased customer
10 convenience.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 66.08 RCW
12 to read as follows:

13 The board shall devise a retail business plan, or amend an existing
14 retail business plan, to implement strategies to improve the efficiency
15 of retail sales operations and maximize revenue-generating
16 opportunities. Strategies to be implemented shall include, but are not
17 limited to:

18 (1) Expanding store operations to include Sunday sales in selected
19 liquor stores. Sunday sales are optional for liquor vendors operating
20 agency stores;

21 (2) Implementing a plan of in-store liquor merchandising, including
22 point-of-sale advertising, and product specific point-of-sale
23 promotional displays and carousels, including displays designed and
24 provided by vendors; and

25 (3) Implementing a plan for in-store liquor merchandising of
26 brands. The plan may not include provisions for selling liquor-related
27 items other than those items previously authorized.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 66.08 RCW
2 to read as follows:

3 By September 1, 2003, the board shall expand operations in at least
4 twenty state-operated retail stores to include Sundays. The board
5 shall select the stores that are expected to gross the most revenues on
6 Sunday by considering factors including, but not limited to, population
7 density, proximity to shopping centers, and proximity to other
8 businesses that are open on Sunday. The selected stores shall be open
9 for retail business a minimum of five hours on Sunday. The board shall
10 track gross sales and expenses of the selected stores and compare them
11 to previous years' sales and projected sales and expenses before
12 opening on Sunday. The board shall also examine the sales of state and
13 contract liquor stores in proximity to those stores opened on Sundays
14 to determine whether Sunday openings has reduced the sales of other
15 state and contract liquor stores that are not open on Sundays. The
16 board shall present this information to the appropriate policy and
17 fiscal committees of the legislature by January 31, 2004.

18 **Sec. 4.** RCW 66.08.026 and 2001 c 313 s 1 are each amended to read
19 as follows:

20 All administrative expenses of the board incurred on and after
21 April 1, 1963, shall be appropriated and paid from the liquor revolving
22 fund. These administrative expenses shall include, but not be limited
23 to: The salaries and expenses of the board and its employees, the cost
24 of establishing, leasing, maintaining, and operating state liquor
25 stores and warehouses, legal services, pilot projects, annual or other
26 audits, and other general costs of conducting the business of the
27 board, and the costs of supplying, installing, and maintaining
28 equipment used in state liquor stores and agency liquor vendor stores
29 for the purchase of liquor (~~by nonlicensees~~) using debit or credit
30 cards. The administrative expenses shall not, however, be deemed to
31 include costs of liquor and lottery tickets purchased, the cost of
32 transportation and delivery to the point of distribution, other costs
33 pertaining to the acquisition and receipt of liquor and lottery
34 tickets, packaging and repackaging of liquor, agency commissions for
35 agency liquor vendor stores, transaction fees associated with credit or
36 debit card purchases for liquor in state liquor stores and in the

1 stores of agency liquor vendors pursuant to RCW 66.16.040 and
2 66.16.041, sales tax, and those amounts distributed pursuant to RCW
3 66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency
4 commissions for agency liquor vendor stores shall be established by the
5 liquor control board after consultation with and approval by the
6 director of the office of financial management. All expenditures and
7 payment of obligations authorized by this section are subject to the
8 allotment requirements of chapter 43.88 RCW.

9 **Sec. 5.** RCW 66.08.060 and 1933 ex.s. c 62 s 43 are each amended to
10 read as follows:

11 (1) The board shall not advertise liquor in any form or through any
12 medium whatsoever.

13 (2) In-store liquor merchandising is not advertising for the
14 purposes of this section.

15 (3) The board shall have power to adopt any and all reasonable
16 ((regulations)) rules as to the kind, character, and location of
17 advertising of liquor.

18 **Sec. 6.** RCW 66.16.041 and 1998 c 265 s 3 are each amended to read
19 as follows:

20 (1) The state liquor control board shall accept bank credit card
21 and debit cards ((from nonlicensees)) for purchases in state liquor
22 stores, under such rules as the board may adopt. The board shall
23 authorize liquor vendors appointed under RCW 66.08.050 to accept bank
24 credit cards and debit cards for liquor purchases under this title,
25 under such rules as the board may adopt.

26 (2) If a liquor vendor operating an agency store chooses to use
27 credit or debit cards for liquor purchases ((by nonlicensees)), the
28 board shall provide equipment and installation and maintenance of the
29 equipment necessary to implement the use of credit and debit cards.
30 Any equipment provided by the board to an agency liquor vendor store
31 for this purpose may be used only for the purchase of liquor.

32 (3) If the revenues and expenditures associated with implementing
33 the use of credit and debit cards for the purchase of alcohol ((by
34 nonlicensees)) from state liquor stores and agency stores operated by
35 liquor vendors results in a reduction of the liquor revolving fund

1 balance for fiscal year 1999 and the 1999-01 biennium, the board shall
2 consider increasing the price of alcohol products to offset the
3 reduction.

4 ~~((4) The board shall provide a report evaluating the~~
5 ~~implementation of this section, including revenue and expenditures, to~~
6 ~~the appropriate committees of the legislature by December 1, 1998.))~~

7 NEW SECTION. **Sec. 7.** A new section is added to chapter 66.08 RCW
8 to read as follows:

9 In addition to the criteria stated in section 3 of this act, when
10 choosing which stores to open on Sundays, the board shall follow the
11 same criteria and procedures with respect to places of worship as
12 established in RCW 66.24.010(9) for retail licensees.

13 NEW SECTION. **Sec. 8.** The sum of nine hundred sixty-one thousand
14 dollars, or as much thereof as may be necessary, is appropriated for
15 the biennium ending June 30, 2005, from the liquor revolving account to
16 the liquor control board for the purposes of implementing this act.

17 NEW SECTION. **Sec. 9.** RCW 66.16.080 (Sunday closing) and 1988 c
18 101 s 1 & 1933 ex.s. c 62 s 11 are each repealed.

19 NEW SECTION. **Sec. 10.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstances is not affected.

23 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
24 preservation of the public peace, health, or safety, or support of the
25 state government and its existing public institutions, and takes effect
26 July 1, 2003."

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1 On page 1, line 2 of the title, after "plan;" strike the remainder
2 of the title and insert "amending RCW 66.08.026, 66.08.060, and
3 66.16.041; adding new sections to chapter 66.08 RCW; creating a new
4 section; repealing RCW 66.16.080; making an appropriation; providing an
5 effective date; and declaring an emergency."

EFFECT: The striking amendment:

- (1) Repeals the prohibition on Sunday liquor sales;
- (2) Requires the Liquor Control Board to open twenty liquor stores on Sundays;
- (3) Allows, but does not require, contract liquor stores to be open on Sundays;
- (4) Requires the Board to implement a retail services business plan, including in-store liquor merchandising;
- (5) Allows licensees to pay for liquor using debit and credit cards;
- (6) Makes an appropriation to the Board to implement Sunday sales and in-store merchandising.

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