

HOUSE BILL REPORT

SSB 6584

As Passed House:

March 2, 2004

Title: An act relating to liquor licensees holding a caterer's endorsement.

Brief Description: Modifying liquor licensing provisions.

Sponsors: By Senate Committee on Commerce & Trade (originally sponsored by Senators Hewitt, McAuliffe, Honeyford and Eide).

Brief History:

Committee Activity:

Commerce & Labor: 2/19/04, 2/23/04 [DP].

Floor Activity:

Passed House: 3/2/04, 94-1.

Brief Summary of Substitute Bill

- Permits caterers licensed to sell alcoholic beverages to operate on the premises of wineries, under certain conditions.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; McMorris, Ranking Minority Member; Condotta, Assistant Ranking Minority Member; Crouse, Holmquist, Kenney and McCoy.

Staff: Susan Kavanaugh (786-7106).

Background:

Restaurants that are licensed by the Liquor Control Board (Board) to sell either beer and wine only or hard liquor also may obtain a caterer's endorsement that permits them to sell these alcoholic beverages off the licensed premises at special event locations. Events must be either sponsored by a non-profit society, in which case the public may attend, or limited to members and their guests.

Under Washington's three-tier liquor control system, caterers, like other licensed

retailers, are prohibited from operating on property owned by a manufacturer, importer or distributor of alcoholic beverages. This means caterers cannot operate on the premises of a winery, brewery or distillery.

Summary of Bill:

Caterers that have an endorsement permitting them to sell either beer and wine or hard liquor also may sell on the premises of a Washington winery under the following conditions:

- Agreements between the winery and the caterer are in writing, filed with the Board, and do not contain exclusivity clauses regarding alcohol to be served; and
 - The event sponsors have separate contracts with the winery and the caterer, and pay them separately for their services.
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Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: A winery can sell its own product under current law, but cannot sell a wider variety of alcoholic beverages. Wineries are a popular spot for weddings, and many people are interested in serving sparkling wine at weddings, but you cannot do that at a winery unless the sparkling wine is produced there.

Testimony Against: None.

Persons Testifying: Lorraine Lee, Liquor Control Board; Michael Transue, Washington Restaurant Association; and Jean Leonard, Washington Wine Institute.

Persons Signed In To Testify But Not Testifying: None.