

HOUSE BILL REPORT

HB 1495

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to the summary suspension of a liquor license pending revocation proceedings.

Brief Description: Changing provisions relating to the summary suspension of a liquor license pending revocation proceedings.

Sponsors: Representatives Hudgins, Chandler, Conway and Kenney; by request of Liquor Control Board.

Brief History:

Committee Activity:

Commerce & Labor: 2/6/03, 2/24/03 [DPS].

Brief Summary of Substitute Bill

- Allows the Liquor Control Board to summarily suspend a liquor license for up to 180 days.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Conway, Chair; Wood, Vice Chair; Chandler, Ranking Minority Member; Condotta, Assistant Ranking Minority Member; Crouse, Holmquist, Hudgins, Kenney and McCoy.

Staff: Matt Cooper (786-7106).

Background:

The Liquor Control Board (Board) licenses and controls the sale and distribution of alcohol in Washington. The Board also enforces laws related to the sale of alcohol.

The Board may summarily suspend a liquor license and require the licensee to stop serving alcohol for up to 30 days without a prior hearing if it finds that health, safety, and welfare of the public requires immediate action. The Board has established rules for

summarily suspending the license of an establishment involved in serious criminal activity. When the Board summarily suspends a license, the licensee may request a hearing on the issue.

When the summary suspension expires, regardless of whether or not a hearing has been held, the licensee may return to serving alcohol.

Summary of Substitute Bill:

Allows the Board to summarily suspend a liquor license for up to 180 days.

Substitute Bill Compared to Original Bill:

The substitute bill allows a summary suspension for up to 180 days while the original bill authorized a summary suspension to continue indefinitely.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill will update a law that has basically not changed since 1933. The Board needs the flexibility to adjudicate license issues in the best interest of the public. The Board uses the summary suspension process in only serious cases that may affect the health, safety, and welfare of the community.

Allowing the Board this flexibility will protect communities by allowing summary suspension to remain in place while the administrative hearing process takes place. Under current law, businesses just have to wait for the 30 days to run out and then go back to serving alcohol. The public has become very upset about this when it has happened but there is nothing that the Board can do.

The administrative process has become more complex and time consuming since this law was originally enacted. This law needs to be updated to reflect those changes and to make the system work as it was intended.

The hearing system provides due process to licensees who have had their licenses summarily suspended. There are approximately 12,000 liquor licenses in Washington. The Board issues approximately six summary suspensions per year. The Board only uses them when there is no other way to protect the community.

Testimony Against: None.

Testified: Representative Hudgins, prime sponsor; and Rick Garza, Liquor Control Board.