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SENATE BILL 5263

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State of Washington

58th Legislature

2003 Regular Session

By Senators Honeyford and McAuliffe

Read first time 01/20/2003. Referred to Committee on Commerce & Trade.

1 AN ACT Relating to the catering of alcoholic beverages at special  
2 events by nonprofit organizations; and amending RCW 66.24.320,  
3 66.24.420, 66.24.570, and 66.24.375.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 66.24.320 and 1998 c 126 s 4 are each amended to read  
6 as follows:

7 There shall be a beer and/or wine restaurant license to sell beer  
8 or wine, or both, at retail, for consumption on the premises. A patron  
9 of the licensee may remove from the premises, recorked or recapped in  
10 its original container, any portion of wine that was purchased for  
11 consumption with a meal.

12 (1) The annual fee shall be two hundred dollars for the beer  
13 license, two hundred dollars for the wine license, or four hundred  
14 dollars for a combination beer and wine license.

15 (2)(a) The board may issue a caterer's endorsement to this license  
16 to allow the licensee to remove from the liquor stocks at the licensed  
17 premises, only those types of liquor that are authorized under the on-  
18 premises license privileges for sale and service at special  
19 ((occasion)) event locations at a specified date and place not

1 currently licensed by the board. (~~The privilege of selling and~~  
2 ~~serving liquor under the endorsement is limited to members and guests~~  
3 ~~of a society or organization as defined in RCW 66.24.375.)) If the  
4 special event is open to the public, it must be sponsored by a society  
5 or organization. If attendance at the special event is limited to  
6 members or invited guests of the sponsoring individual, society, or  
7 organization, the requirement that the sponsor must be a society or  
8 organization is waived. Cost of the endorsement is three hundred fifty  
9 dollars.~~

10 ((~~a~~)) (b) The holder of this license with catering endorsement  
11 shall, if requested by the board, notify the board or its designee of  
12 the date, time, place, and location of any catered event. Upon  
13 request, the licensee shall provide to the board all necessary or  
14 requested information concerning the society or organization that will  
15 be holding the function at which the endorsed license will be utilized.

16 (~~b~~) ~~If attendance at the function will be limited to members and~~  
17 ~~invited guests of the sponsoring society or organization, the~~  
18 ~~requirement that the society or organization be within the definition~~  
19 ~~of RCW 66.24.375 is waived.))~~

20 **Sec. 2.** RCW 66.24.420 and 1998 c 126 s 6 are each amended to read  
21 as follows:

22 (1) The spirits, beer, and wine restaurant license shall be issued  
23 in accordance with the following schedule of annual fees:

24 (a) The annual fee for a spirits, beer, and wine restaurant license  
25 shall be graduated according to the dedicated dining area and type of  
26 service provided as follows:

27	Less than 50% dedicated dining area	\$2,000
28	50% or more dedicated dining area	\$1,600
29	Service bar only	\$1,000

30 (b) The annual fee for the license when issued to any other  
31 spirits, beer, and wine restaurant licensee outside of incorporated  
32 cities and towns shall be prorated according to the calendar quarters,  
33 or portion thereof, during which the licensee is open for business,  
34 except in case of suspension or revocation of the license.

35 (c) Where the license shall be issued to any corporation,  
36 association or person operating a bona fide restaurant in an airport  
37 terminal facility providing service to transient passengers with more

1 than one place where liquor is to be dispensed and sold, such license  
2 shall be issued upon the payment of the annual fee, which shall be a  
3 master license and shall permit such sale within and from one such  
4 place. Such license may be extended to additional places on the  
5 premises at the discretion of the board and a duplicate license may be  
6 issued for each such additional place: PROVIDED, That the holder of a  
7 master license for a restaurant in an airport terminal facility shall  
8 be required to maintain in a substantial manner at least one place on  
9 the premises for preparing, cooking, and serving of complete meals, and  
10 such food service shall be available on request in other licensed  
11 places on the premises: PROVIDED, FURTHER, That an additional license  
12 fee of twenty-five percent of the annual master license fee shall be  
13 required for such duplicate licenses.

14 (d) Where the license shall be issued to any corporation,  
15 association, or person operating dining places at a publicly or  
16 privately owned civic or convention center with facilities for sports,  
17 entertainment, or conventions, or a combination thereof, with more than  
18 one place where liquor is to be dispensed and sold, such license shall  
19 be issued upon the payment of the annual fee, which shall be a master  
20 license and shall permit such sale within and from one such place.  
21 Such license may be extended to additional places on the premises at  
22 the discretion of the board and a duplicate license may be issued for  
23 each such additional place: PROVIDED, That the holder of a master  
24 license for a dining place at such a publicly or privately owned civic  
25 or convention center shall be required to maintain in a substantial  
26 manner at least one place on the premises for preparing, cooking, and  
27 serving of complete meals, and food service shall be available on  
28 request in other licensed places on the premises: PROVIDED FURTHER,  
29 That an additional license fee of ten dollars shall be required for  
30 such duplicate licenses.

31 (e) Where the license shall be issued to any corporation,  
32 association or person operating more than one building containing  
33 dining places at privately owned facilities which are open to the  
34 public and where there is a continuity of ownership of all adjacent  
35 property, such license shall be issued upon the payment of an annual  
36 fee which shall be a master license and shall permit such sale within  
37 and from one such place. Such license may be extended to the  
38 additional dining places on the property or, in the case of a spirits,

1 beer, and wine restaurant licensed hotel, property owned or controlled  
2 by leasehold interest by that hotel for use as a conference or  
3 convention center or banquet facility open to the general public for  
4 special events in the same metropolitan area, at the discretion of the  
5 board and a duplicate license may be issued for each additional place:  
6 PROVIDED, That the holder of the master license for the dining place  
7 shall not offer alcoholic beverages for sale, service, and consumption  
8 at the additional place unless food service is available at both the  
9 location of the master license and the duplicate license: PROVIDED  
10 FURTHER, That an additional license fee of twenty dollars shall be  
11 required for such duplicate licenses.

12 (2) The board, so far as in its judgment is reasonably possible,  
13 shall confine spirits, beer, and wine restaurant licenses to the  
14 business districts of cities and towns and other communities, and not  
15 grant such licenses in residential districts, nor within the immediate  
16 vicinity of schools, without being limited in the administration of  
17 this subsection to any specific distance requirements.

18 (3) The board shall have discretion to issue spirits, beer, and  
19 wine restaurant licenses outside of cities and towns in the state of  
20 Washington. The purpose of this subsection is to enable the board, in  
21 its discretion, to license in areas outside of cities and towns and  
22 other communities, establishments which are operated and maintained  
23 primarily for the benefit of tourists, vacationers and travelers, and  
24 also golf and country clubs, and common carriers operating dining, club  
25 and buffet cars, or boats.

26 (4) The total number of spirits, beer, and wine restaurant licenses  
27 issued in the state of Washington by the board, not including spirits,  
28 beer, and wine private club licenses, shall not in the aggregate at any  
29 time exceed one license for each fifteen hundred of population in the  
30 state, determined according to the yearly population determination  
31 developed by the office of financial management pursuant to RCW  
32 43.62.030.

33 (5) Notwithstanding the provisions of subsection (4) of this  
34 section, the board shall refuse a spirits, beer, and wine restaurant  
35 license to any applicant if in the opinion of the board the spirits,  
36 beer, and wine restaurant licenses already granted for the particular  
37 locality are adequate for the reasonable needs of the community.

1       (6)(a) The board may issue a caterer's endorsement to this license  
2 to allow the licensee to remove the liquor stocks at the licensed  
3 premises, for use as liquor for sale and service at special  
4 (~~(occasion)~~) event locations at a specified date and place not  
5 currently licensed by the board. (~~(The privilege of selling and~~  
6 ~~serving liquor under such endorsement is limited to members and guests~~  
7 ~~of a society or organization as defined in RCW 66.24.375.)~~) If the  
8 special event is open to the public, it must be sponsored by a society  
9 or organization. If attendance at the special event is limited to  
10 members or invited guests of the sponsoring individual, society, or  
11 organization, the requirement that the sponsor must be a society or  
12 organization is waived. Cost of the endorsement is three hundred fifty  
13 dollars.

14       (~~(a)~~) (b) The holder of this license with catering endorsement  
15 shall, if requested by the board, notify the board or its designee of  
16 the date, time, place, and location of any catered event. Upon  
17 request, the licensee shall provide to the board all necessary or  
18 requested information concerning the society or organization that will  
19 be holding the function at which the endorsed license will be utilized.

20       (~~(b) If attendance at the function will be limited to members and~~  
21 ~~invited guests of the sponsoring society or organization, the~~  
22 ~~requirement that the society or organization be within the definition~~  
23 ~~of RCW 66.24.375 is waived.)~~)

24       **Sec. 3.** RCW 66.24.570 and 2001 c 199 s 5 are each amended to read  
25 as follows:

26       (1) There is a license for sports entertainment facilities to be  
27 designated as a sports/entertainment facility license to sell beer,  
28 wine, and spirits at retail, for consumption upon the premises only,  
29 the license to be issued to the entity providing food and beverage  
30 service at a sports entertainment facility as defined in this section.  
31 The cost of the license is two thousand five hundred dollars per annum.

32       (2) For purposes of this section, a sports entertainment facility  
33 includes a publicly or privately owned arena, coliseum, stadium, or  
34 facility where sporting events are presented for a price of admission.  
35 The facility does not have to be exclusively used for sporting events.

36       (3) The board may impose reasonable requirements upon a licensee  
37 under this section, such as requirements for the availability of food

1 and victuals including but not limited to hamburgers, sandwiches,  
2 salads, or other snack food. The board may also restrict the type of  
3 events at a sports entertainment facility at which beer, wine, and  
4 spirits may be served. When imposing conditions for a licensee, the  
5 board must consider the seating accommodations, eating facilities, and  
6 circulation patterns in such a facility, and other amenities available  
7 at a sports entertainment facility.

8 (4)(a) The board may issue a caterer's endorsement to the license  
9 under this section to allow the licensee to remove from the liquor  
10 stocks at the licensed premises, for use as liquor for sale and service  
11 at special (~~occasion~~) event locations at a specified date and place  
12 not currently licensed by the board. (~~The privilege of selling and~~  
13 ~~selling liquor under the endorsement is limited to members and guests~~  
14 ~~of a society or organization as defined in RCW 66.24.375.)) If the  
15 special event is open to the public, it must be sponsored by a society  
16 or organization. If attendance at the special event is limited to  
17 members or invited guests of the sponsoring individual, society, or  
18 organization, the requirement that the sponsor must be a society or  
19 organization is waived. Cost of the endorsement is three hundred fifty  
20 dollars.~~

21 (~~(a)~~) (b) The holder of this license with catering endorsement  
22 shall, if requested by the board, notify the board or its designee of  
23 the date, time, place, and location of any catered event. Upon  
24 request, the licensee shall provide to the board all necessary or  
25 requested information concerning the society or organization that will  
26 be holding the function at which the endorsed license will be utilized.

27 (~~(b) If attendance at the function will be limited to members and~~  
28 ~~invited guests of the sponsoring society or organization, the~~  
29 ~~requirement that the society or organization be within the definition~~  
30 ~~of RCW 66.24.375 is waived.))~~

31 (5) The board may issue an endorsement to the beer, wine, and  
32 spirits sports/entertainment facility license that allows the holder of  
33 a beer, wine, and spirits sports/entertainment facility license to sell  
34 for off-premises consumption wine vinted and bottled in the state of  
35 Washington and carrying a label exclusive to the license holder selling  
36 the wine. Spirits and beer may not be sold for off-premises  
37 consumption under this section. The annual fee for the endorsement  
38 under this (~~chapter [section]~~) section is one hundred twenty dollars.

1       **Sec. 4.** RCW 66.24.375 and 1997 c 321 s 61 are each amended to read  
2 as follows:

3       "Society or organization" as used in RCW 66.24.320, 66.24.380,  
4 66.24.420, and 66.24.570 means a not-for-profit group organized and  
5 operated solely for charitable, religious, social, political,  
6 educational, civic, fraternal, athletic, or benevolent purposes. No  
7 portion of the profits from events sponsored by a not-for-profit group  
8 may be paid directly or indirectly to members, officers, directors, or  
9 trustees except for services performed for the organization. Any  
10 compensation paid to its officers and executives must be only for  
11 actual services and at levels comparable to the compensation for like  
12 positions within the state. A society or organization which is  
13 registered with the secretary of state or the federal internal revenue  
14 service as a nonprofit organization may submit such registration as  
15 proof that it is a not-for-profit group.

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