
Commerce & Labor Committee

HB 2560

Brief Description: Changing the formula cap on spirits, beer, and wine restaurant licenses.

Sponsors: Representatives Conway, Wood, Condotta, Fromhold and P. Sullivan; by request of Liquor Control Board.

Brief Summary of Bill

- Changes the formula for determining the total number of spirits, beer, and wine restaurant licenses that may be issued from a ratio of one license for every 1500 people to one license for every 1450 people.

Hearing Date: 1/18/06

Staff: Elisabeth Frost (786-5793) and Jill Reinmuth (786-7134).

Background:

In order to sell all varieties of liquor by the drink, a bar or restaurant must have a spirits, beer, and wine (SBW) restaurant license issued by the Liquor Control Board. The total number of SBW restaurant licenses that may be issued in the aggregate is limited to the ratio of one license for every 1500 people. The formula is linked to the annual state population as determined by the Office of Financial Management (OFM). It does not apply to private clubs, sports and entertainment facilities, or nonprofit arts organizations that sell spirits, or restaurants and bars that sell only beer and wine.

The 1:1500 ratio was part of Initiative 171, approved by voters in 1949, which authorized the sale of liquor by the drink. Originally, the formula was linked to the state population as determined by the national census.

The current cap on SBW restaurant licenses is approximately 4,117. As of early January 2006 the Liquor Control Board had issued 3,999 of those licenses.

Summary of Bill:

The total number of spirits, beer, and wine restaurant licenses that may be issued in the aggregate shall not exceed one license for every 1,450 people.

Appropriation: None.

Fiscal Note: Available.

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