SENATE BILL REPORT 2SHB 1430

As Reported By Senate Committee On: Labor, Commerce, Research & Development, February 16, 2006

Title: An act relating to sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.

Brief Description: Authorizing the sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Wood and Condotta).

Brief History: Passed House: 2/08/06, 94-1.

Committee Activity: Labor, Commerce, Research & Development: 2/16/06 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Honeyford and Keiser.

Staff: Jennifer Strus (786-7316)

Background: Kegs (or other containers larger than four gallons) of malt liquor may be sold in the following establishments:

- 1) Off-premises Beer and/or Wine Licensees: May be combined only with tavern and beer and/or wine restaurant licenses;
- 2) Grocery Store Licensees: Requires a special endorsement issued by the Liquor Control Board (LCB). Containers must be smaller than five and one-half gallons; and
- 3) Beer and/or Wine Specialty Shop Licensees: Containers must be smaller than five and one-half gallons.

Businesses with a spirits, beer, and wine restaurant license may sell distilled spirits, beer, and wine by the glass for on-premises consumption. Beer and spirits may not be sold for off-premises consumption. Some sales of wine for off-premises consumption are allowed under limited circumstances. Kegs of four gallons or more of malt liquor for off-premises consumption are prohibited.

Summary of Bill: With an endorsement from the Liquor Control Board, businesses holding a spirits, beer, and wine restaurant license with the appropriate endorsement may sell malt liquor in kegs or other containers capable of holding four or more gallons for off-premises consumption. The annual fee for this endorsement is \$120

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Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Many establishments that were able to sell kegs for off premises consumption lost the ability to do so when they "upgraded" to a spirits, beer and wine restaurant license. This bill will provide them the opportunity to continue to sell these kegs.

Testimony Against: None.

Testimony Other: Most of the establishments that want the ability to sell these kegs have the space to store kegs; it is not the majority of spirits, beer and wine licensees.

Who Testified: PRO: Michael Transue, Washington Restaurant Association.

OTHER: Rick Garza, LCB.

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