

SUBSTITUTE HOUSE BILL 1975

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Springer, Condotta and Wood)

READ FIRST TIME 02/28/07.

1 AN ACT Relating to spirits, beer, and wine restaurant licenses; and
2 reenacting and amending RCW 66.24.420 and 66.24.320.

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

4 **Sec. 1.** RCW 66.24.420 and 2006 c 101 s 3 and 2006 c 85 s 1 are
5 each reenacted and amended to read as follows:

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

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

11	Less than 50% dedicated dining area	\$2,000
12	50% or more dedicated dining area	\$1,600
13	Service bar only	\$1,000

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

1 (c) Where the license shall be issued to any corporation,
2 association or person operating a bona fide restaurant in an airport
3 terminal facility providing service to transient passengers with more
4 than one place where liquor is to be dispensed and sold, such license
5 shall be issued upon the payment of the annual fee, which shall be a
6 master license and shall permit such sale within and from one such
7 place. Such license may be extended to additional places on the
8 premises at the discretion of the board and a duplicate license may be
9 issued for each such additional place. The holder of a master license
10 for a restaurant in an airport terminal facility must maintain in a
11 substantial manner at least one place on the premises for preparing,
12 cooking, and serving of complete meals, and such food service shall be
13 available on request in other licensed places on the premises. An
14 additional license fee of twenty-five percent of the annual master
15 license fee shall be required for such duplicate licenses.

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

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

1 additional dining places on the property or, in the case of a spirits,
2 beer, and wine restaurant licensed hotel, property owned or controlled
3 by leasehold interest by that hotel for use as a conference or
4 convention center or banquet facility open to the general public for
5 special events in the same metropolitan area, at the discretion of the
6 board and a duplicate license may be issued for each additional place.
7 The holder of the master license for the dining place shall not offer
8 alcoholic beverages for sale, service, and consumption at the
9 additional place unless food service is available at both the location
10 of the master license and the duplicate license. An additional license
11 fee of twenty dollars shall be 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 one thousand four hundred fifty of
30 population in the state, determined according to the yearly population
31 determination developed by the office of financial management pursuant
32 to RCW 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 event locations at
4 a specified date and, except as provided in subsection (7) of this
5 section, place not currently licensed by the board. If the event is
6 open to the public, it must be sponsored by a society or organization
7 as defined by RCW 66.24.375. If attendance at the event is limited to
8 members or invited guests of the sponsoring individual, society, or
9 organization, the requirement that the sponsor must be a society or
10 organization as defined by RCW 66.24.375 is waived. Cost of the
11 endorsement is three hundred fifty dollars.

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

18 (c) The holder of this license with a catering endorsement may,
19 under conditions established by the board, store liquor on the premises
20 of another not licensed by the board so long as there is a written
21 agreement between the licensee and the other party to provide for
22 ongoing catering services, the agreement contains no exclusivity
23 clauses regarding the alcoholic beverages to be served, and the
24 agreement is filed with the board.

25 (d) The holder of this license with a catering endorsement may,
26 under conditions established by the board, store liquor on other
27 premises operated by the licensee so long as the premises are owned or
28 controlled by a leasehold interest by that licensee. A duplicate
29 license may be issued for each additional premises. A license fee of
30 twenty dollars shall be required for such duplicate licenses.

31 (7) Licensees under this section that hold a caterer's endorsement
32 are allowed to use this endorsement on a domestic winery premises or on
33 the premises of a passenger vessel and may store liquor at such
34 premises under conditions established by the board under the following
35 conditions:

36 (a) Agreements between the domestic winery or passenger vessel, as
37 the case may be, and the retail licensee shall be in writing, contain

1 no exclusivity clauses regarding the (~~alcohol~~) alcoholic beverages to
2 be served, and be filed with the board; and

3 (b) The domestic winery or passenger vessel, as the case may be,
4 and the retail licensee shall be separately contracted and compensated
5 by the persons sponsoring the event for their respective services.

6 **Sec. 2.** RCW 66.24.320 and 2006 c 362 s 1 and 2006 c 101 s 2 are
7 each reenacted and amended to read as follows:

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

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

16 (2)(a) The board may issue a caterer's endorsement to this license
17 to allow the licensee to remove from the liquor stocks at the licensed
18 premises, only those types of liquor that are authorized under the on-
19 premises license privileges for sale and service at event locations at
20 a specified date and, except as provided in subsection (3) of this
21 section, place not currently licensed by the board. If the event is
22 open to the public, it must be sponsored by a society or organization
23 as defined by RCW 66.24.375. If attendance at the event is limited to
24 members or invited guests of the sponsoring individual, society, or
25 organization, the requirement that the sponsor must be a society or
26 organization as defined by RCW 66.24.375 is waived. Cost of the
27 endorsement is three hundred fifty dollars.

28 (b) The holder of this license with catering endorsement shall, if
29 requested by the board, notify the board or its designee of the date,
30 time, place, and location of any catered event. Upon request, the
31 licensee shall provide to the board all necessary or requested
32 information concerning the society or organization that will be holding
33 the function at which the endorsed license will be utilized.

34 (c) The holder of this license with a catering endorsement may
35 store liquor on the premises of another not licensed by the board so
36 long as there is a written agreement between the licensee and the other

1 party to provide for ongoing catering services, the agreement contains
2 no exclusivity clauses regarding the alcoholic beverages to be served,
3 and the agreement is filed with the board.

4 (d) The holder of this license with a catering endorsement may,
5 under conditions established by the board, store liquor on other
6 premises operated by the licensee so long as the premises are owned or
7 controlled by a leasehold interest by that licensee. A duplicate
8 license may be issued for each additional premises. A license fee of
9 twenty dollars shall be required for such duplicate licenses.

10 (3) Licensees under this section that hold a caterer's endorsement
11 are allowed to use this endorsement on a domestic winery premises or on
12 the premises of a passenger vessel and may store liquor at such
13 premises under conditions established by the board under the following
14 conditions:

15 (a) Agreements between the domestic winery or the passenger vessel,
16 as the case may be, and the retail licensee shall be in writing,
17 contain no exclusivity clauses regarding the (~~alcoholic~~) alcoholic
18 beverages to be served, and be filed with the board; and

19 (b) The domestic winery or passenger vessel, as the case may be,
20 and the retail licensee shall be separately contracted and compensated
21 by the persons sponsoring the event for their respective services.

22 (4) The holder of this license or its manager may furnish beer or
23 wine to the licensee's employees free of charge as may be required for
24 use in connection with instruction on beer and wine. The instruction
25 may include the history, nature, values, and characteristics of beer or
26 wine, the use of wine lists, and the methods of presenting, serving,
27 storing, and handling beer or wine. The beer and/or wine licensee must
28 use the beer or wine it obtains under its license for the sampling as
29 part of the instruction. The instruction must be given on the premises
30 of the beer and/or wine licensee.

31 (5) If the license is issued to a person who contracts with the
32 Washington state ferry system to provide food and alcohol service on a
33 designated ferry route, the license shall cover any vessel assigned to
34 the designated route. A separate license is required for each
35 designated ferry route.

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