

HOUSE BILL REPORT

HB 1462

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to beer and wine specialty shops.

Brief Description: Regarding malt liquor sold by beer and/or wine specialty shops.

Sponsors: Representatives Williams, Chandler, Newhouse, Moeller and Upthegrove.

Brief History:

Committee Activity:

Commerce & Labor: 2/6/09, 2/13/09 [DP].

Brief Summary of Bill

- Allows beer and/or wine specialty shop licensees to sell malt liquor in kegs or other containers, holding four or more gallons of liquid, so long as they comply with current keg registration requirements.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Crouse, Green, Moeller and Williams.

Staff: Kate Moeur White (786-5793) and Joan Elgee (786-7106)

Background:

The Liquor Control Board (Board) issues several different types of licenses relating to the sale of alcohol. These include licenses for spirits, beer, and wine restaurants, taverns, grocery stores, and beer and/or wine specialty shops. Kegs (or other containers holding four gallons or more) of malt liquor may be sold by: (1) licensees holding a beer and/or wine restaurant or tavern license in combination with an off-premises beer and wine retailer's license; and (2) licensees holding a spirits, beer, and wine restaurant license in combination with an endorsement issued by the Board.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

There are several sizes of kegs sold in the United States. Generally, a full keg contains 15.5 gallons and a pony keg contains 7.75 gallons. Licensed spirits, beer, and wine restaurants and beer and/or wine restaurants and taverns may sell containers holding four or more gallons of malt liquor. Grocery stores and beer and/or wine specialty shops are limited to selling liquor containers holding 5.5 gallons or less.

Licenses authorized to sell kegs containing four or more gallons of malt liquor are required to follow certain keg registration procedures including, but not limited to, requiring the keg purchaser to sign a declaration and receipt for the keg, provide proper identification, and sign a sworn statement that the purchaser is of legal age and will not allow any person under the age of 21 years to consume the beverage. The Board is authorized to charge spirit, beer, and wine restaurant licensees for costs associated with providing declaration and receipt forms.

Summary of Bill:

Beer and/or wine specialty shops may sell malt liquor in kegs holding four or more gallons of liquid. Sales of containers holding four or more gallons of malt liquor must comply with keg registration requirements.

The Liquor Control Board may charge beer and/or wine specialty shops for the cost of providing declaration and receipt forms required to be issued to keg purchasers.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) Similar language is present in the Omnibus Bill for this committee's consideration. This bill died on second reading in the Senate last year due to lack of time on the Senate calendar. This bill would allow beer and/or wine specialty shops to meet customers' needs for kegs holding more than five gallons and would prevent customers from having to outsource for those products.

(Opposed) None.

Persons Testifying: T.K. Bentler, Washington Brewers Guild; and Jeff Bert, Gravity Beer Market.

Persons Signed In To Testify But Not Testifying: None.