

SENATE BILL REPORT

EHB 2358

As Reported by Senate Committee On:
Ways & Means, April 24, 2009

Title: An act relating to increasing liquor license fees limited to fees for beer and/or wine restaurants.

Brief Description: Increasing liquor license fees limited to fees for beer and/or wine restaurants; taverns; snack bars; combined beer and wine retailers; grocery stores; beer and/or wine specialty shops; passenger trains, vessels, and airplanes; spirits, beer, and wine restaurants; spirits, beer, and wine private clubs; beer and wine private clubs; and public houses.

Sponsors: Representative Conway.

Brief History: Passed House: 4/21/09, 50-47.

Committee Activity: Ways & Means: 4/24/09 [DP, DNP, w/oRec].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Fairley, Hobbs, Keiser, Kline, McDermott, Oemig, Pridemore, Regala and Rockefeller.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Honeyford, Parlette, Pflug and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senator Brandland.

Staff: Dean Carlson (786-7305)

Background: The Liquor Control Board (Board) issues a number of types of retail liquor licenses. For some licenses there are also endorsements available that allow additional activities. Licensees pay an annual fee to 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.

The distribution of license fee revenue depends on the type of license. Revenue from spirits, beer, and wine restaurant and private club fees is distributed to the state toxicology program for death investigations, and to the University of Washington, Washington State University, and the Department of Social and Health Services for alcoholism and drug abuse purposes. A portion of the revenue from grocery store, snack bar, and tavern fees is dedicated to alcoholism and drug abuse purposes and the remainder goes into the Liquor Revolving Fund (revolving fund). The revolving fund is used for administering the liquor provisions. Excess funds from the revolving fund are distributed according to a formula to border areas, the General Fund, and cities and counties. The entirety of other retail license fees goes into the revolving fund.

Summary of Bill: Specific retail liquor license and license endorsement fees are raised by 10.5 percent for the 2009-11 biennium as follows:

License	Current Fee	Proposed Fee
Grocery License	\$150	\$166
<i>International Exporter Endorsement</i>	\$500	\$553
Public House License	\$1,000	\$1,105
Beer and/or Wine Specialty Shop License	\$100	\$111
Snack Bar License	\$125	\$138
Interstate Common Carrier's License	\$750	\$829
<i>Duplicate License - Additional Locations</i>	\$5	\$6
Private Club – Beer and/or Wine License	\$180	\$199
<i>Sale of Unopened Wine for Off-Premises Consumption Endorsement</i>	\$120	\$133
Private Club – Spirits, Beer, and Wine License	\$720	\$796
<i>Non-Club Event Endorsement</i>	\$900	\$995
<i>Sale of Unopened Wine for Off-Premises Consumption Endorsement</i>	\$120	\$133
Restaurant Beer and/or Wine		
Beer only	\$200	\$221
Wine only	\$200	\$221
Beer and Wine	\$400	\$442

Sale of Beer and/or Wine for Off-Premises Consumption	\$120	\$133
<i>Caterer's Endorsement</i>	\$350	\$387
<i>Caterer's Storage at Other Locations Endorsement</i>	\$20	\$22
Restaurant Spirits, Beer, and Wine (public or private)		
Less than 50 percent dedicated dining area	\$2,000	\$2,210
50 percent or more dedicated dining area	\$1,600	\$1,768
Service bar only	\$1,000	\$1,105
<i>Caterer's Endorsement</i>	\$350	\$387
<i>Caterer's Storage at Other Locations Endorsement</i>	\$20	\$22
<i>Sale of Unopened Wine for Off-Premises Consumption Endorsement</i>	\$120	\$133
<i>Kegs-to-go Endorsement</i>	\$120	\$133
<i>Private Club – Non-Club Event Endorsement</i>	\$900	\$995
<i>Duplicate License – Civic/Convention Center Additional Location</i>	\$10	\$11
Tavern – No persons under 21 allowed		
Beer only	\$200	\$221
Wine only	\$200	\$221
Both	\$400	\$442
Sale of Beer and/or Wine for Off-Premises Consumption	\$120	\$133

The 2009-11 fee increase revenue is not subject to the distribution otherwise specified for license fees and may be used only for the administration and enforcement of the affected licenses.

The provisions of the bill expire on July 1, 2011.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: None.

Persons Testifying: No one.