

HOUSE BILL REPORT

HB 1465

As Amended by the Senate

Title: An act relating to conditions and restrictions for liquor licenses.

Brief Description: Modifying conditions and restrictions for liquor licenses.

Sponsors: Representatives Hunt, Taylor, McCoy, Appleton, Condotta, Miloscia and Dunshee;
by request of Liquor Control Board.

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/2/11, 2/9/11 [DP].

Floor Activity:

Passed House: 2/26/11, 97-0.

Senate Amended.

Passed Senate: 4/5/11, 47-2.

Brief Summary of Bill

- Specifies that conditions and restrictions on a liquor license may be included in correspondence rather than listed on the face of the license.
- Gives the Liquor Control Board authority to define by rule "complete meals" for purposes of qualifying for a spirits, beer, and wine restaurant license.
- Removes the 100 persons or more occupancy load requirement for an establishment to qualify for a nightclub license.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 11 members: Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander, Condotta, Darneille, Dunshee, Hurst, McCoy and Miloscia.

Staff: Joan Elgee (786-7106).

Background:

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 Liquor Control Board (Board) issues multiple types of licenses, including winery, microbrewery, grocery store, restaurant, and nightclub licenses. In certain circumstances, the Board may impose conditions or restrictions on a license. For example, some grocery stores have a restricted license allowing the sale of only beer and table wine, and not strong beer (more than 8 percent alcohol by weight) or fortified wine. All conditions and restrictions the Board imposes must be listed on the face of the license along with the trade name, address, and expiration date of the license. A licensee must post its license in a conspicuous place on the premises.

A spirits, beer, and wine restaurant license allows the sale of spirits by the drink, beer, and wine. To qualify as a "restaurant," an establishment must be approved by the Board and must be maintained in a substantial manner as a place for preparing, cooking, and serving of complete meals. Fry orders and such food as sandwiches, hamburgers, or salads do not constitute complete meals.

A nightclub license also allows the sale of spirits by the drink, beer, and wine. A nightclub is an establishment that provides entertainment and has as its primary source of revenue the sale of alcohol, cover charges, or both, and has an occupancy load of 100 or more persons. Local governments may request the Board to impose restrictions on a nightclub license.

Summary of Bill:

Conditions and restrictions imposed by the Board are no longer required to be listed on the face of the license and may be included in official correspondence. Any additional correspondence with conditions and restrictions must be posted on the premises in addition to the license.

The specification that fry orders, and such food as sandwiches, hamburgers, or salads do not constitute "complete meals" for purposes of qualifying as a restaurant is removed. Instead, the Board must determine requirements for complete meals in rule.

The 100 persons or more occupancy load requirement to qualify for a nightclub license is removed.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment allows beer and/or wine specialty shops that exceed 50 percent beer and/or wine sales to receive an endorsement, upon approval by the Liquor Control Board, to sell beer to a purchaser in a sanitary container brought to the premises by the purchaser or provided by the licensee or manufacturer (e.g., growlers). The Liquor Control Board may waive the 50 percent criteria if the licensee's alcohol inventory exceeds \$15,000. The Senate amendment also allows breweries and microbreweries to sell beer produced by other domestic breweries and microbreweries as long as the other brands do not exceed 25 percent of the brewery/microbreweries' on-tap offering of its own brands.

Appropriation: None.

Fiscal Note: Available.

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) The menu requirements need to be updated from the 1949 language. This bill will help restaurants around the state. Some restaurants have trouble qualifying for a license.

(Opposed) None.

Persons Testifying: Rick Garza, Washington State Liquor Control Board; and Julia Clark, Washington Restaurant Association.

Persons Signed In To Testify But Not Testifying: None.