

SENATE BILL REPORT

EHB 2558

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, February 23, 2012

Title: An act relating to theater licenses.

Brief Description: Establishing a theater license to sell beer, including strong beer, or wine, or both, at retail for consumption on theater premises.

Sponsors: Representative Moeller.

Brief History: Passed House: 2/09/12, 87-10.

Committee Activity: Labor, Commerce & Consumer Protection: 2/16/12, 2/23/12 [DPA, w/oRec].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: Do pass as amended.

Signed by Senators Kohl-Welles, Chair; Hewitt, Keiser and Kline.

Minority Report: That it be referred without recommendation.

Signed by Senators Holmquist Newbry, Ranking Minority Member; King, Assistant Ranking Minority Member.

Staff: Edith Rice (786-7444)

Background: Washington liquor statutes authorize various types of licenses, including licenses for restaurants and taverns. Restaurant license fees range from \$221 for only beer or only wine, to \$2,000 for spirits, beer, and wine, where less than 50 percent of the premises is a dedicated dining room. There is no food requirement attached to a tavern license. The license fee for a tavern is \$200 for beer, \$200 for wine, or \$400 for both.

There is no specific theater license, although there is a nonprofit arts organization license. Nonprofit arts organizations can obtain a liquor license to sell liquor to patrons on the premises at sponsored events, which are approved by the Liquor Control Board (LCB). The fee for such a license is \$250 per year. A nonprofit arts organization is one which provides artistic or cultural exhibitions, or performances or art education programs for attendance by the general public. It must meet legal requirements for a not-for-profit corporation and must satisfy specific conditions set by the LCB.

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 LCB is authorized to prescribe terms of the license issued, fees, conditions and qualifications.

In 2010 the LCB adopted rules regarding requirements and restrictions for both beer and wine restaurant license and spirits, beer, and wine restaurant licenses at cinemas with dinner theater venues. Requirements include a description of food service; lighting; where alcohol sales, service, and consumption may take place; and where minors are prohibited.

Summary of Bill (Recommended Amendments): A beer and wine theater license is created to sell beer and or wine for consumption on theater premises. The annual license fee is \$400. License applicants must submit an alcohol control plan to LCB. The alcohol control plan must be written, signed, and dated and must show where and when alcohol is permitted, where and when minors are permitted, and the control measures used to ensure that minors are not able to obtain alcohol or exposed to environments where drinking alcohol predominates. LCB must adopt rules regarding alcohol control plans.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE & CONSUMER PROTECTION COMMITTEE (Recommended Amendments): The license fee for a beer and wine theater license is \$400 annually and allows theaters to serve beer or wine or both. The minor control plan is renamed the alcohol control plan. Provisions of the alcohol control plan are described. Reference to only one theater license being available per theater premises is removed. Definition of theater is removed.

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 on Original Bill: PRO: Older historic theatres may not qualify for a restaurant license which would allow them to serve beer and wine. The ability to serve alcohol helps keep these businesses competitive and profitable. We could limit minor exposure by serving alcohol after 7:00 p.m. Good security and a good minor control plan can make this safe and successful.

CON: This sets an example that drinking in a public setting is the norm. We are concerned about the cumulative effect of more facilities serving alcohol.

Persons Testifying: PRO: Representative Moeller, prime sponsor, Bill Leigh, Kiggins Theatre, Brien Layton, Seattle Theatre Group, Rand Thornsley Liberty Theatre.

CON: Seth Dawson, WA Assn. for Substance Abuse Prevention.