

ESB 5607 - H COMM AMD

By Committee on Government Accountability & Oversight

NOT ADOPTED 04/15/2013

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 66.24 RCW
4 to read as follows:

5 (1) There are two theater licenses created for theaters as defined
6 in this section.

7 (a) A beer and wine theater license is created to sell beer,
8 including strong beer, or wine, or both, at retail for consumption on
9 theater premises. The annual fee is four hundred dollars for a beer
10 and wine theater license.

11 (b) A spirits, beer, and wine theater license is created to sell
12 spirits, beer, including strong beer, or wine, or all, at retail, for
13 consumption on theater premises. A spirits, beer, and wine theater
14 license may be issued to a theater with no more than one hundred twenty
15 seats per screen and that is maintained in a substantial manner as a
16 place for preparing, cooking, and serving complete meals and providing
17 tabletop accommodations for in-theater dining. Requirements for
18 complete meals are the same as those adopted by the board in rules
19 pursuant to chapter 34.05 RCW for a spirits, beer, and wine restaurant
20 license authorized by RCW 66.24.400. The annual fee is two thousand
21 dollars for a spirits, beer, and wine theater license.

22 (2) If the theater premises is to be frequented by minors, an
23 alcohol control plan must be submitted to the board at the time of
24 application. The alcohol control plan must be approved by the board,
25 and be prominently posted on the premises, prior to minors being
26 allowed.

27 (3) The board must adopt rules regarding alcohol control plans and
28 necessary control measures to ensure that minors are not able to obtain
29 alcohol or be exposed to areas where drinking alcohol predominates.

1 All alcohol control plans must include a requirement that any person
2 involved in the serving of beer, wine, and/or spirits must have
3 completed a mandatory alcohol server training program.

4 (4)(a) A licensee that is an entity that is exempt from taxation
5 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
6 code of 1986, as amended as of January 1, 2013, may enter into
7 arrangements with a beer, wine, or spirits manufacturer, importer, or
8 distributor for brand advertising at the theater or promotion of events
9 held at the theater. The financial arrangements providing for the
10 brand advertising or promotion of events may not be used as an
11 inducement to purchase the products of the manufacturer, importer, or
12 distributor entering into the arrangement and such arrangements may not
13 result in the exclusion of brands or products of other companies.

14 (b) The arrangements allowed under this subsection (4) are an
15 exception to arrangements prohibited under RCW 66.28.305. The board
16 must monitor the impacts of these arrangements. The board may conduct
17 audits of a licensee and the affiliated business to determine
18 compliance with this subsection (4). Audits may include, but are not
19 limited to: Product selection at the facility; purchase patterns of
20 the licensee; contracts with the beer, wine, or spirits manufacturer,
21 importer, or distributor; and the amount allocated or used for beer,
22 wine, or spirits advertising by the licensee, affiliated business,
23 manufacturer, importer, or distributor under the arrangements.

24 (5) The maximum penalties prescribed by the board in WAC 314-29-020
25 relating to fines and suspensions are double for violations involving
26 minors or the failure to follow the alcohol control plan with respect
27 to theaters licensed under this section.

28 (6) For the purposes of this section:

29 (a) "Alcohol control plan" means a written, dated, and signed plan
30 submitted to the board by an applicant or licensee for the entire
31 theater premises, or rooms or areas therein, that shows where and when
32 alcohol is permitted, where and when minors are permitted, and the
33 control measures used to ensure that minors are not able to obtain
34 alcohol or be exposed to environments where drinking alcohol
35 predominates.

36 (b) "Theater" means a place of business where motion pictures or
37 other primarily nonparticipatory entertainment are shown.

1 **Sec. 2.** RCW 66.20.300 and 2011 c 325 s 5 are each amended to read
2 as follows:

3 (~~Unless the context clearly requires otherwise,~~) The definitions
4 in this section apply throughout RCW 66.20.310 through 66.20.350 unless
5 the context clearly requires otherwise.

6 (1) "Alcohol" has the same meaning as "liquor" in RCW 66.04.010.

7 (2) "Alcohol server" means any person who as part of his or her
8 employment participates in the sale or service of alcoholic beverages
9 for on-premise consumption at a retail licensed premise as a regular
10 requirement of his or her employment, and includes those persons
11 eighteen years of age or older permitted by the liquor laws of this
12 state to serve alcoholic beverages with meals.

13 (3) "Board" means the Washington state liquor control board.

14 (4) "Training entity" means any liquor licensee associations,
15 independent contractors, private persons, and private or public
16 schools, that have been certified by the board.

17 (5) "Retail licensed premises" means any:

18 (a) Premises licensed to sell alcohol by the glass or by the drink,
19 or in original containers primarily for consumption on the premises as
20 authorized by this section and RCW 66.20.310, 66.24.320, 66.24.330,
21 66.24.350, 66.24.400, 66.24.425, 66.24.450, 66.24.570, (~~and~~)
22 66.24.610, and section 1 of this act;

23 (b) Distillery licensed pursuant to RCW 66.24.140 that is
24 authorized to serve samples of its own production;

25 (c) Facility established by a domestic winery for serving and
26 selling wine pursuant to RCW 66.24.170(4); and

27 (d) Grocery store licensed under RCW 66.24.360, but only with
28 respect to employees whose duties include serving during tasting
29 activities under RCW 66.24.363.

30 **Sec. 3.** RCW 66.20.310 and 2011 c 325 s 4 are each amended to read
31 as follows:

32 (1)(a) There (~~shall be~~) is an alcohol server permit, known as a
33 class 12 permit, for a manager or bartender selling or mixing alcohol,
34 spirits, wines, or beer for consumption at an on-premises licensed
35 facility.

36 (b) There (~~shall be~~) is an alcohol server permit, known as a

1 class 13 permit, for a person who only serves alcohol, spirits, wines,
2 or beer for consumption at an on-premises licensed facility.

3 (c) As provided by rule by the board, a class 13 permit holder may
4 be allowed to act as a bartender without holding a class 12 permit.

5 (2)(a) Effective January 1, 1997, except as provided in (d) of this
6 subsection, every alcohol server employed, under contract or otherwise,
7 at a retail licensed premise (~~shall~~) must be issued a class 12 or
8 class 13 permit.

9 (b) Every class 12 and class 13 permit issued (~~shall~~) must be
10 issued in the name of the applicant and no other person may use the
11 permit of another permit holder. The holder (~~shall~~) must present the
12 permit upon request to inspection by a representative of the board or
13 a peace officer. The class 12 or class 13 permit (~~shall be~~) is valid
14 for employment at any retail licensed premises described in (a) of this
15 subsection.

16 (c) Except as provided in (d) of this subsection, no licensee
17 holding a license as authorized by this section and RCW 66.20.300,
18 66.24.320, 66.24.330, 66.24.350, 66.24.400, 66.24.425, 66.24.450,
19 66.24.570, 66.24.600, (~~and~~) 66.24.610, and section 1 of this act may
20 employ or accept the services of any person without the person first
21 having a valid class 12 or class 13 permit.

22 (d) Within sixty days of initial employment, every person whose
23 duties include the compounding, sale, service, or handling of liquor
24 (~~shall~~) must have a class 12 or class 13 permit.

25 (e) No person may perform duties that include the sale or service
26 of alcoholic beverages on a retail licensed premises without possessing
27 a valid alcohol server permit.

28 (3) A permit issued by a training entity under this section is
29 valid for employment at any retail licensed premises described in
30 subsection (2)(a) of this section for a period of five years unless
31 suspended by the board.

32 (4) The board may suspend or revoke an existing permit if any of
33 the following occur:

34 (a) The applicant or permittee has been convicted of violating any
35 of the state or local intoxicating liquor laws of this state or has
36 been convicted at any time of a felony; or

37 (b) The permittee has performed or permitted any act that
38 constitutes a violation of this title or of any rule of the board.

1 (5) The suspension or revocation of a permit under this section
2 does not relieve a licensee from responsibility for any act of the
3 employee or agent while employed upon the retail licensed premises.
4 The board may, as appropriate, revoke or suspend either the permit of
5 the employee who committed the violation or the license of the licensee
6 upon whose premises the violation occurred, or both the permit and the
7 license.

8 (6)(a) After January 1, 1997, it is a violation of this title for
9 any retail licensee or agent of a retail licensee as described in
10 subsection (2)(a) of this section to employ in the sale or service of
11 alcoholic beverages, any person who does not have a valid alcohol
12 server permit or whose permit has been revoked, suspended, or denied.

13 (b) It is a violation of this title for a person whose alcohol
14 server permit has been denied, suspended, or revoked to accept
15 employment in the sale or service of alcoholic beverages.

16 (7) Grocery stores licensed under RCW 66.24.360, the primary
17 commercial activity of which is the sale of grocery products and for
18 which the sale and service of beer and wine for on-premises consumption
19 with food is incidental to the primary business, and employees of such
20 establishments, are exempt from RCW 66.20.300 through 66.20.350, except
21 for employees whose duties include serving during tasting activities
22 under RCW 66.24.363."

23 Correct the title.

EFFECT: (1) Creates a beer and wine theater license for theaters showing motion pictures, without seating restrictions or food service requirements, and provides that the annual license fee is \$400 (this incorporates SHB 1001 and is in addition to the spirits, beer, and wine license created in the underlying Senate Bill).

(2) Increases the license fee for a spirits, beer, and wine theater license from \$400 to \$2,000.

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