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## HOUSE BILL 2026

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Pike, Manweller, Vick, Condotta, Harris, Chandler, and Haler

Read first time 04/05/13. Referred to Committee on Government Accountability & Oversight.

AN ACT Relating to state auction liquor stores, providing a process for the successful bidders for such stores to seek refunds of the amount successfully bid, and providing for the sale of inventory; adding a new section to chapter 66.24 RCW; and creating a new section.

## 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. (1) The legislature finds that adoption and implementation of Initiative Measure No. 1183 has had unanticipated adverse consequences for the successful bidders for the former state-owned liquor stores. Many of those successful bidders believe that they were misled by the liquor control board with respect continued viability of such liquor stores following the implementation of Initiative Measure No. 1183 in part because of their proximity to other larger stores holding spirits retail licenses, their inability to secure new leases at affordable rents, uncertainty concerning the inventory to be purchased, and the application of fees on certain sales and other factors.

(2) The legislature further finds that in order to mitigate the hardships suffered by the successful bidders of former state liquor stores, to support small business owners, and to satisfy claims that

p. 1 HB 2026

- 1 the successful bidders of former state liquor stores have asserted or
- 2 may assert against the state based on alleged misrepresentations by the
- 3 liquor control board, it is appropriate and necessary to modify the
- 4 rights and obligations of the successful bidders of former state liquor
- 5 stores.

- 6 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 66.24 RCW 7 to read as follows:
  - (1) Until July 30, 2013, any party that was a successful bidder for a former state liquor store may apply to the Washington state liquor control board for a refund of the total amount of the successful bid for such location. A refund under this section must be granted upon verification by the board that the refund applicant was the successful bidder for the state-owned store. If the rights secured by a successful bid have been sold to another party, no application for refund under this section may be submitted. A refund under this section may not include direct sales expenses and other transition costs incurred by the board that were not deposited into the liquor revolving fund following the initial sale.
  - (2) A successful bidder of a former state liquor store may sell any remaining inventory of spirits from the former state liquor store to any holder of a spirits retail license at the same price that the product was acquired by the successful bidder of the former state liquor store. The sale of such inventory is not considered to be spirits sales revenue for the purposes of RCW 66.24.630(4).

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HB 2026 p. 2