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SENATE BILL 6316

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State of Washington

63rd Legislature

2014 Regular Session

By Senators Fain, Rolfes, Hewitt, and Tom

Read first time 01/20/14. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to nonprofit arts organization licenses; and  
2 amending RCW 66.24.495.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 66.24.495 and 1997 c 321 s 33 are each amended to read  
5 as follows:

6 (1) There shall be a license to be designated as a nonprofit arts  
7 organization license. This shall be a special license to be issued to  
8 any nonprofit arts organization which sponsors and presents productions  
9 or performances of an artistic or cultural nature in a specific theater  
10 or other appropriate designated indoor premises approved by the board.  
11 The license shall permit the licensee to sell liquor to patrons of  
12 productions or performances for consumption on the premises at these  
13 events. The fee for the license shall be two hundred fifty dollars per  
14 annum.

15 (2) For the purposes of this section, the term "nonprofit arts  
16 organization" means an organization which is organized and operated for  
17 the purpose of providing artistic or cultural exhibitions,  
18 presentations, or performances or cultural or art education programs,  
19 as defined in subsection (3) of this section, for viewing or attendance

1 by the general public. The organization must be a not-for-profit  
2 corporation under chapter 24.03 RCW and managed by a governing board of  
3 not less than eight individuals none of whom is a paid employee of the  
4 organization or by a corporation sole under chapter 24.12 RCW. In  
5 addition, the corporation must satisfy the following conditions:

6 (a) No part of its income may be paid directly or indirectly to its  
7 members, stockholders, officers, directors, or trustees except in the  
8 form of services rendered by the corporation in accordance with its  
9 purposes and bylaws;

10 (b) Salary or compensation paid to its officers and executives must  
11 be only for actual services rendered, and at levels comparable to the  
12 salary or compensation of like positions within the state;

13 (c) Assets of the corporation must be irrevocably dedicated to the  
14 activities for which the license is granted and, on the liquidation,  
15 dissolution, or abandonment by the corporation, may not inure directly  
16 or indirectly to the benefit of any member or individual except a  
17 nonprofit organization, association, or corporation;

18 (d) The corporation must be duly licensed or certified when  
19 licensing or certification is required by law or regulation;

20 (e) The proceeds derived from sales of liquor, except for  
21 reasonable operating costs, must be used in furtherance of the purposes  
22 of the organization;

23 (f) Services must be available regardless of race, color, national  
24 origin, or ancestry; and

25 (g) The liquor control board shall have access to its books in  
26 order to determine whether the corporation is entitled to a license.

27 (3) The term "artistic or cultural exhibitions, presentations, or  
28 performances or cultural or art education programs" includes and is  
29 limited to:

30 (a) An exhibition or presentation of works of art or objects of  
31 cultural or historical significance, such as those commonly displayed  
32 in art or history museums;

33 (b) A live or recorded musical, nonmusical, comedic, or dramatic  
34 performance or series of performances; or

35 (c) An educational seminar or program, or series of such programs,  
36 offered by the organization to the general public on an artistic,

1 cultural, or historical subject.

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