

# HOUSE BILL REPORT

## SHB 1564

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### As Passed Legislature

**Title:** An act relating to the local option prohibition on the sale of liquor.

**Brief Description:** Concerning the local option prohibition on the sale of liquor.

**Sponsors:** House Committee on Commerce & Gaming (originally sponsored by Representatives Kilduff and Muri).

#### **Brief History:**

##### **Committee Activity:**

Commerce & Gaming: 2/9/15, 2/12/15 [DPS].

##### **Floor Activity:**

Passed House: 3/10/15, 65-33.

Passed Senate: 4/15/15, 45-2.

Passed Legislature.

#### **Brief Summary of Substitute Bill**

- Establishes that territory annexed into a city after the passage of a liquor prohibition by that city through a public vote is not subject to any liquor prohibition later adopted pursuant to a subsequent election.

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### HOUSE COMMITTEE ON COMMERCE & GAMING

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Hurst, Chair; Wylie, Vice Chair; Condotta, Ranking Minority Member; Holy, Assistant Ranking Minority Member; Blake, Kirby, Moscoso, Scott and Vick.

**Staff:** Thamas Osborn (786-7129).

#### **Background:**

In 1934, after the repeal of prohibition, the Legislature enacted the Washington State Liquor Act (Act), which remains in effect. The Act includes provisions allowing incorporated cities, towns, and unincorporated areas of counties to hold an election on the question of whether

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*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 sale of liquor should be permitted. The only statutory method to repeal such prohibition is by another public vote at a general election. Areas that are annexed into a city following the enactment of a liquor prohibition are not subject to that prohibition.

In 1975 the citizens of the City of Fircrest (Fircrest) voted on a ballot measure asking them to decide whether or not to prohibit the sale of liquor by the drink within the city. The prohibition was adopted, and all liquor sales by the drink were terminated 90 days later. Subsequent to the enactment of the prohibition, Fircrest annexed new territory into the city. Under state law, such annexed areas are not subject to the city's prohibition. Fircrest is currently the only city in the state which has this prohibition.

**Summary of Substitute Bill:**

Territory annexed into a city after the passage of a liquor prohibition by that city through a public vote is not subject to any liquor prohibition later adopted pursuant to a subsequent election.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**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) This bill would remedy a problem currently faced by Fircrest. In 1975 the voters of Fircrest approved a ballot measure prohibiting liquor by the drink. Fircrest later annexed territory into the city, and this annexed area is not subject to the prohibition because the citizens of that area did not participate in the prohibition vote. Now, there are many who want to repeal the prohibition, but this must again be done by public vote. However, under current law, if the repeal is unsuccessful, then the annexed areas would be subject to the liquor prohibition. The provisions of the proposed substitute bill would ensure that the liquor prohibition would not extend to the annexed areas if the effort to repeal is unsuccessful. Also, the proposed substitute would preserve the public vote requirement and would not allow the Fircrest City Council to repeal the prohibition by the passage of an ordinance.

Many citizens and businesses in Fircrest want the liquor prohibition to be repealed. The annexed areas are not subject to the prohibition and are, therefore, allowed to have bars and restaurants that serve liquor by the drink. There are currently two commercial areas in the city in which restaurants are prohibited from selling liquor. These restaurants, and many citizens, are eager for the prohibition to be lifted.

(Opposed) The bill would allow the Fircrest City Council to repeal the liquor prohibition without a vote of the people. Eliminating the public vote requirement is undemocratic and bad public policy. If this happens, there will be negative impacts on the peacefulness of the residential neighborhoods bordering the commercial areas.

**Persons Testifying:** (In support) Representative Kilduff, prime sponsor; and Jason Medley, City of Fircrest.

(Opposed) Randy O'Brien.

**Persons Signed In To Testify But Not Testifying:** None.