

# SENATE BILL REPORT

## SB 5167

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As Reported by Senate Committee On:  
Commerce & Labor, February 18, 2015

**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:** Senator O'Ban.

**Brief History:**

**Committee Activity:** Commerce & Labor: 1/30/15, 2/18/15 [DPS, w/oRec].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** That Substitute Senate Bill No. 5167 be substituted therefor, and the substitute bill do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; Hasegawa, Ranking Minority Member; Conway, King and Warnick.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Keiser.

**Staff:** Richard Rodger (786-7461)

**Background:** In 1934, after the repeal of prohibition, the Legislature enacted the Washington State Liquor Act. The act included provisions allowing incorporated cities, towns, and unincorporated areas of counties to hold an election on the question of whether the sale of liquor should be permitted.

In 1975 the city of Fircrest held an election on whether to prohibit the maintenance and operation of premises licensed as Class H businesses. The Class H license was issued to businesses allowing them to sell liquor by the drink. The prohibition was adopted and all sales were terminated 90 days later.

Since that time the city of Fircrest annexed additional areas into the town and a question arose regarding the applicability of the prohibition to the newly annexed areas. The Attorney General issued an opinion in 1991 stating the prohibition was limited to the corporate limits of the city as it existed at the time of the local option election. The Legislature confirmed the

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Attorney General's Opinion in 1994 and clarified that only another election held by the expanded election unit can decide whether liquor by the drink would be prohibited in the annexed area.

The only statutory method to repeal the prohibition is by a vote at a general election. A question has arisen on whether the failure of a current vote to repeal the prohibition would have the effect of expanding the prohibition to the annexed area.

**Summary of Bill (Recommended Substitute):** The original election unit that voted for a ban on alcohol may vote to repeal the ban. Any area annexed after the original vote to ban alcohol is not subject to a prohibition in the subsequent election.

**EFFECT OF CHANGES MADE BY COMMERCE & LABOR COMMITTEE (Recommended Substitute):** Removes the ability of a legislative authority to repeal a ban on liquor. The original election unit that voted for a ban may vote to repeal the ban. Any area annexed after the original vote is not subject to a prohibition in the subsequent election.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**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: The entire city council of Fircrest is in support of this bill. We are the only city in the state with a dry area, with a partial ban on the sale of liquor by the drink. Since the original ban, the city has annexed other areas and businesses that are allowed to sell liquor by the drink. That annexation creates issues for taking a vote to repeal the ban. We are not taking anyone's rights away, but are just seeking the same authority as the public has to repeal an ordinance. We have held public hearings on this issue and would hold more hearings if we move forward after passage of this bill. The public still retains the right to vote again regarding the prohibition on the sale of alcohol.

CON: This bill takes away the public's right to vote. This prohibition law was originally passed giving the people the right to vote for prohibition and the right to repeal prohibition. The law should not be altered giving the city the right to repeal the current ban. The city indicated that their original plan for this legislation was to provide an election-based solution to the annexation issues. If you do pass this bill, please do not let it take effect until two years after passage to allow the citizens to adequately discuss this issue.

**Persons Testifying:** PRO: Hunter George, Denny Waltier, Jason Medley, Fircrest City Council.

CON: Randy O'Brien, citizen.