

SENATE BILL REPORT

SB 5665

As Reported by Senate Committee On:
Commerce, Labor & Sports, February 15, 2017

Title: An act relating to the use of credit cards for purchases of spirits and wine by a purchaser licensed to sell spirits and/or wine for consumption on the licensed premises.

Brief Description: Concerning the use of credit cards for purchases of spirits and wine by a purchaser licensed to sell spirits and/or wine for consumption on the licensed premises.

Sponsors: Senators Wilson, Keiser, Conway and King.

Brief History:

Committee Activity: Commerce, Labor & Sports: 2/13/17, 2/15/17 [DP].

Brief Summary of Bill

- Authorizes a licensed distributor of spirits and/or wine to impose a credit card fee on a purchaser licensed to sell spirits and/or wine for on-premises consumption.

SENATE COMMITTEE ON COMMERCE, LABOR & SPORTS

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; Keiser, Ranking Minority Member; Conway, Hasegawa, King, Rossi, Saldaña and Wilson.

Staff: Richard Rodger (786-7461)

Background: Checks, credit or debit cards, prepaid accounts, electronic fund transfers, and other similar methods approved by the Liquor and Cannabis Board may be used as cash payment with respect to transactions among liquor retailers, manufacturers, importers, or distributors. Electronic fund transfers must be voluntary, conducted pursuant to a written agreement, initiated no later than the first business day following delivery, and completed as promptly as is reasonably practical, but no later than five business days following delivery.

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.

Summary of Bill: A licensed distributor of spirits and/or wine is authorized to impose a credit card fee on a purchaser licensed to sell spirits and/or wine for on-premises consumption provided:

- the decision to make payment by credit card is voluntary; and
- the credit card fee is explicitly disclosed as a separate line item on the distributor's invoice.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill provides a more useable option for an on-premises licensee to use a credit card for their purchases from spirits and wine distributors. Current law allows for credit cards to be used, but the purchaser should be responsible for paying related fees. We are happy to report that we are all in agreement on this bill. The bill could be broadened to include beer transactions and sales to off-premises licensees.

Persons Testifying: PRO: Senator Lynda Wilson, Prime Sponsor; Scott Hazlegrove, WA Beer & Wine Distributors Association; Ron Main, Association of Washington Spirits and Wine Distributors; Julia Gorton, Washington Hospitality Association.

Persons Signed In To Testify But Not Testifying: No one.