

# SENATE BILL REPORT

## SB 5110

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As Reported by Senate Committee On:  
Labor & Commerce, February 12, 2019

**Title:** An act relating to the consumption of alcohol for certain special events held on agricultural fairgrounds.

**Brief Description:** Concerning the consumption of alcohol for certain special events held on agricultural fairgrounds.

**Sponsors:** Senators Zeiger and Fortunato.

**Brief History:**

**Committee Activity:** Labor & Commerce: 1/17/19, 2/12/19 [DPS-WM].

**Brief Summary of First Substitute Bill**

- Allows certain special occasion licensees, who hold an event on the fairgrounds of an agricultural fair, to allow patrons to carry open, unfinished servings of alcohol between buildings, under specified conditions.
- Allows the Liquor and Cannabis Board to assist with event plans, charge fees for review and approving plans, and limit the number of events at each venue.
- Requires the adoption of rules for the fairgrounds endorsement.

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Majority Report:** That Substitute Senate Bill No. 5110 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Keiser, Chair; Conway, Vice Chair; King, Ranking Member; Braun, Saldaña, Walsh and Wellman.

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

**Background:** Special Occasion Licenses. A not-for-profit society or organization that obtains a special occasion liquor license may sell spirits, beer, and wine by the individual

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glass to be consumed on the premises. If an organization gets prior permission from the Liquor and Cannabis Board (LCB), the licensee may also sell:

- spirits, beer, or wine in original, unopened containers for off-premises consumption; and
- wine in unopened bottles for on-premises consumption.

The special occasion license permits the licensee to serve liquor at a specified event, on a specified date and place. The sale, service, and consumption of spirits, beer, and wine must be confined to specified premises or designated areas only. All liquor sold under the special occasion license must be purchased from a licensee of the LCB.

The fee for the special occasion license is \$60 per day and the organization is generally limited to sales on no more than 12 single-day events per year.

Agricultural Fairs. Agricultural fairs are fairs or exhibitions intended to promote agriculture by including, among other things, a balanced variety of exhibits of livestock and agricultural products. Agricultural fairs are divided into four categories:

- area fairs are organized to serve an area larger than one county;
- county and district fairs are organized to serve the interests of certain single counties;
- community fairs are organized primarily to serve a smaller area than an area fair or county fair; and
- youth shows and fairs serve three or more counties, educate and train rural youth, and are approved by Washington State University or the Office of the Superintendent of Public Instruction.

**Summary of Bill (First Substitute):** A special occasion licensee who holds certain special events on the fairgrounds of an agricultural fair may apply, at least 45 days prior to an event, for a fairgrounds endorsement allowing patrons to carry open, unfinished servings of alcohol between buildings, if the following conditions are met:

- the LCB has issued an fairgrounds endorsement;
- the events is not a state or agricultural fair;
- any youth-oriented or family oriented activities at the event are located in buildings where alcohol is not allowed;
- the event plan includes for the control and management of individuals who are carrying alcohol, including demarcated or defined pathways between buildings with barriers approved by the LCB;

The LCB may work with the applicants to develop an acceptable plan for each event. The LCB may limit the number of the fairground endorsements authorized to be held at each fairground to fifty percent of the special occasion licenses issued for that fairground in the previous calendar year. The LCB may set an additional fee to cover the expenses incurred reviewing an event plan and approving the fairground endorsement. The LCB must adopt rules setting the criteria and conditions that must be met in order to issue a fairgrounds endorsement.

The new provisions do not limit any existing right or benefit currently authorized or provided to special events or special occasion license holders.

**EFFECT OF CHANGES MADE BY LABOR & COMMERCE COMMITTEE (First Substitute):**

- Requires the application for a fairgrounds endorsement at least 45 days before the event.
- Requires an approved event plan for the carrying of open, unfinished servings of alcohol between buildings.
- Requires that youth or family-oriented activities be located where alcohol is not allowed.
- Allows the LCB to limit the endorsements to 50 percent of the special occasion licenses issued, for each venue, in the previous year.
- Authorizes an additional fee and requires the adoption of rules.

**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 on Original Bill:** *The committee recommended a different version of the bill than what was heard.* PRO: This bill does not concern the state fairs, but is intended for other events that are held on the fairgrounds. It would allow a patron to walk around within the enclosed areas with an alcoholic beverage. The bill only applies to events that primarily cater to adults. The fairgrounds in Puyallup cater to 160 other events per year and the fairs rely on the rental income to support the fair events. The bill would be limited to contained areas that would allow patrons to carry their beverages between multiple building sites, hosted by one event. This is a convenience for the attendees who would otherwise be forced to drink or dump their beverage before walking to the next building, where they could buy another beverage. We are not seeking to expand the consumption of alcohol.

CON: A recent study concluded that there is not a safe level of alcohol consumption. We need to carefully evaluate all legislation that expands alcohol access and promotion. Not all legislation on alcohol is equally objectionable. This bill further allows alcohol in atypical situations that do not exist now and further contributes to the normalization of alcohol. These are not situations that are exclusively adults-only settings.

**Persons Testifying:** PRO: Senator Hans Zeiger, Prime Sponsor; Heather Hansen, Washington State Fairs Association; Adam Heffron, Washington State Fair.

CON: Seth Dawson, Washington Association for Substance Abuse Prevention; James McMahan, Washington Association of Sheriffs and Police Chiefs; Justin Nordhorn, LCB.

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