
Regulated Substances & Gaming Committee

HB 1765

Brief Description: Concerning special occasion liquor licenses.

Sponsors: Representatives Steele, Chapman and Volz.

Brief Summary of Bill

- Creates an enhanced special occasion license for existing special occasion licensees that meet certain requirements.
- Allows an enhanced special occasion licensee to hold an unlimited number of events that are open to the public and reduces the notice and approval requirements for the Liquor and Cannabis Board and local municipalities.

Hearing Date: 2/13/23

Staff: Matt Sterling (786-7289).

Background:

Special Occasion License.

There is a retailer's license designated as a special occasion license that is issued by the Liquor and Cannabis Board (LCB) to a not-for-profit society or organization. The licensee is authorized to sell spirits, beer, and wine by the individual serving for on-premises consumption at a specified event, such as at picnics or other special occasions, at a specified date and place. There is a fee of \$60 per day for each event and the licensee is limited to 12 single-day events per calendar year. Licensees may not sell alcohol below cost and may not provide complimentary or free alcohol at any special occasion events.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

The licensee may sell wine in original, unopened containers for on-premises consumption and spirits, beer, and wine in original, unopened containers for off-premises consumption if the LCB grants permission for such sales prior to the event. Sale, service, and consumption of all spirits, beer, and wine must be confined to specified premises or designated areas. All liquor that is sold under a special occasion license must be purchased from a licensee of the LCB.

All proceeds from the sale of alcohol at a special occasion license event must go directly back into the non-profit organization with the license. The proceeds may not be paid directly or indirectly to members, officers, or trustees of the organization and no profits from the sale of alcohol may go to a promoter or a promotions company.

Any violation of the provisions for special occasion licenses is a class 1 civil infraction with a maximum penalty of \$250.

Notice Provided to Municipalities.

Generally, before the LCB may issue a new or renewal license to any liquor license applicant, the LCB must give notice of the application to the chief executive officer of the city or town or to the legislative authority of the county where the applicant or proposed event is located. The applicable city, town, or county may file with the LCB any written objections against the applicant or against the premises and request a public hearing for the new or renewal license application. When the LCB grants a liquor license, including a special occasion license, the LCB must send written notification to the applicable city, town, or county where the applicant or proposed event is located.

Summary of Bill:

Enhanced Special Occasion License.

Any licensee that has held a special occasion license for at least 10 years and has not had any enforcement actions taken against the licensee by the LCB in the previous five years may apply to the LCB for an enhanced special occasion license. An enhanced special occasion licensee:

- may hold an unlimited number of events each year;
- may hold public and private events without holding any separate license;
- is required to notify the LCB at least 24 hours before an event with the dates, times, and locations of the event; and
- does not need approval from the chief executive officer of the city or town or the legislative authority of the county in which the event is to be held. A licensee must obtain any event permit that is required by the applicable city, town, or county to conduct the event.

Notice Provided to Municipalities.

The LCB is not required to provide notice of an application for an enhanced special occasion license to the city, town, or county where the proposed event would take place. The city, town, or county where the proposed event is located is not authorized to submit written objections or

request a public hearing on the application. When the LCB approves an application for an enhanced special occasion license, the LCB is not required to send written notification to the city, town, or county where the proposed event is located.

Appropriation: None.

Fiscal Note: Requested on February 10, 2023.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.