

HOUSE BILL REPORT

HB 2260

As Passed House:

February 6, 2024

Title: An act relating to establishing civil penalties for the unlawful sale or supply of alcohol to minors.

Brief Description: Establishing civil penalties for the unlawful sale or supply of alcohol to minors.

Sponsors: Representatives Waters, Reeves, Leavitt, Kloba and Cheney; by request of Liquor and Cannabis Board.

Brief History:

Committee Activity:

Regulated Substances & Gaming: 1/18/24, 1/23/24 [DP].

Floor Activity:

Passed House: 2/6/24, 97-0.

Brief Summary of Bill

- Authorizes the Liquor and Cannabis Board to impose a civil penalty on individuals for the sale, gift, or supply of liquor to any person under the age of 21 under certain circumstances.

HOUSE COMMITTEE ON REGULATED SUBSTANCES & GAMING

Majority Report: Do pass. Signed by 11 members: Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Caldier, Cheney, Morgan, Orwall, Reeves and Waters.

Staff: Matt Sterling (786-7289).

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.

Background:

It is unlawful for any person to sell, give, or otherwise supply liquor to any person under the age of 21 years or permit any person under that age to consume liquor on their premises or on any premises under their control. Violation of this provision is a gross misdemeanor that is punishable by a fine of not more than \$1,000 or by imprisonment in a county jail for not more than 90 days, or both.

When a liquor licensee or a mandatory alcohol server training permit holder violates a statute or rule of the Liquor and Cannabis Board (LCB), the LCB may issue an administrative violation notice alleging the violation and assess escalating penalties for the severity and frequency of violations. The LCB penalties for violations by liquor licensees or employees are divided by rule into five categories:

- public safety violations that are considered the most serious because they present a direct threat to public safety;
- regulatory violations that involve general regulation and administration of retail or nonretail licenses;
- license violations that involve licensing requirements, license classification, and special restrictions;
- nonretail violations that involve the manufacture, supply, or distribution of liquor by nonretail licensees and prohibited practices between a nonretail licensee and a retail licensee; and
- public safety violations for sports entertainment facility licenses.

Summary of Bill:

The LCB may impose civil penalties on individuals for the sale, gift, or supply of liquor to any person under the age of 21 that occurs from a business licensed by the LCB and by a person working on behalf of the business. The LCB may impose a civil penalty instead of issuing a criminal citation. The monetary penalty that the LCB may impose for violations may not exceed \$200 for the first violation, \$400 for a second violation occurring within three years, and \$500 for a third or subsequent violation occurring within three years. The LCB may develop and offer a class for retail clerks and use this class in lieu of a monetary penalty for the clerk's first violation.

Any civil penalty imposed by the LCB may not be in addition to criminal enforcement and the LCB may not issue a criminal citation in any matter in which it issues a civil penalty. However, the LCB is not restricted in the criminal enforcement in lieu of a civil penalty for:

- continued violations;
- violations involving intentional sales of, or knowingly furnishing, alcohol to a person under the age of 21 years; and
- a person that holds an alcohol server permit.

The LCB may initiate legal action to collect civil penalties imposed if they have not been

paid within 30 days after imposition.

Appropriation: None.

Fiscal Note: Available.

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 was requested legislation from the LCB. Under current law, store clerks can only be charged with a criminal penalty when they sell liquor to a minor, but a restaurant worker is given a fine. There are administrative penalties available for that same store clerk if they sell tobacco. This bill is about bringing consistency and fairness for store clerks and bartenders or servers. Making sure alcohol is not sold to minors is one of the top priorities for stores and this bill will create parity for stores and restaurants and correct the penalty structure. One of the greatest contributors to alcohol consumption by minors is adults securing alcohol for them. Because the law only provides for criminal enforcement for sales to minors that occur in stores, there is a lot of enforcement that is not occurring because law enforcement does not have the capacity to deal with these violations. Even with the potential of a misdemeanor, some prosecutors will not work on these cases. This bill will decriminalize unintentional sales to minors for store clerks by implementing the same fine that exists for restaurant employees. This bill creates an administrative penalty for these clerks that will not go through the already clogged criminal system and will ensure that violations by store clerks are addressed. Administrative penalties are a way to bring consistency and remove criminal penalties for someone that makes a mistake. Criminal penalties would still be available for intentional or repeated violations, but it is preferable to have an administrative penalty be available for an initial violation no matter where someone is located in the state.

(Opposed) None.

Persons Testifying: Representative Kevin Waters, prime sponsor; Marc Webster, Washington State Liquor and Cannabis Board; Katie Beeson, Washington Food Industry Association; and Scott Waller, Washington Association for Substance Misuse and Violence Prevention.

Persons Signed In To Testify But Not Testifying: None.