
HOUSE BILL 2378

State of Washington 52nd Legislature 1992 Regular Session

By Representatives Heavey, May, Sheldon and Sprenkle

Read first time 01/15/92. Referred to Committees on Commerce & Labor/
Revenue.

1 AN ACT Relating to a tax on the sale of liquor advertising to fund
2 alcohol counteradvertising; adding a new chapter to Title 82 RCW; and
3 providing an effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that adult
6 citizens of this state have the right to use alcohol in a responsible
7 manner. However, the illegal use of alcohol by minors, the high
8 incidence of driving while under the influence of alcohol, the health
9 risks associated with the abuse of alcohol, and the large number of
10 alcohol-related crimes in Washington state are all compelling problems
11 that the state must address.

12 Alcohol is an illegal drug for persons under twenty-one years of
13 age, yet it has been estimated that over fifty thousand students in
14 grades six to twelve in Washington schools can be considered heavy

1 drinkers and over fifty percent have tried alcohol. Almost one-half of
2 the deaths and almost one-quarter of the disabling injuries on
3 Washington highways result from accidents involving drivers under the
4 influence of alcohol. As a class, young people are greatly
5 overrepresented in the number of alcohol-related collisions. Alcohol-
6 related accidents are the leading cause of death in sixteen to twenty-
7 four year olds in the United States.

8 Alcohol abuse has been linked to a wide array of family and health
9 problems, causing much pain and suffering. The treatment of these
10 problems raises the cost of health care for all citizens of the state.
11 Approximately one hundred forty-five babies are born in Washington each
12 year with fetal alcohol syndrome. Fetal alcohol syndrome is the third
13 leading cause of mental retardation in the United States.

14 More than one-third of the arrests in the United States each year
15 are related to alcohol abuse. Taxpayers in the United States pay one
16 hundred fifty million dollars a year for the arrest, trial, and jail
17 time of these people.

18 The legislature further finds that advertising has a tremendous
19 effect on the attitudes, beliefs, social behavior, and consumer
20 behavior of citizens of all ages, especially young persons. It is
21 estimated that over seventy percent of high school seniors watch some
22 television every day. The average primary and secondary level student
23 spends more time watching television than doing homework. Many
24 advertisers have taken advantage of this eager market by explicitly or
25 implicitly purveying the message that alcohol contributes to a person's
26 attractiveness, athletic ability, professional ability, or social
27 status. Advertisers have also attempted to make alcohol appealing to
28 young people by linking alcohol to various animated characters and
29 mascots. Moreover, some alcohol advertisements convey a sexist message
30 by objectifying women.

1 Recognizing the severity of the problems associated with alcohol
2 use and abuse, recognizing that the twenty-first amendment to the
3 Constitution of the United States grants states the power to prohibit
4 the sale of liquor entirely, or to regulate the time, place, and manner
5 in which it may be served, recognizing the overriding state interest in
6 protecting the health, welfare, and safety of its citizens, and
7 recognizing that the right to sell liquor in the state of Washington is
8 subject to any condition imposed by the state, the state hereby
9 requires that any person or entity advertising or promoting the sale of
10 liquor in this state shall pay the sales tax on liquor advertising
11 mandated in this chapter. The purpose of this tax is to create a fund
12 dedicated to a public awareness campaign regarding specific issues of
13 public importance, including: The illegal use of liquor by minors; the
14 dangers and consequences of driving while under the influence of
15 liquor; and the societal, family, and health costs associated with
16 alcoholism.

17 NEW SECTION. **Sec. 2.** Unless the context clearly requires
18 otherwise, the definitions in this section apply throughout this
19 chapter.

20 (1) "Advertisement" or "advertising" means a representation made in
21 any medium for the purpose of inducing, or that is likely to induce,
22 the purchase of a product.

23 (2) "Advertising time or space" refers to the units in which the
24 right to advertise in any medium is sold.

25 (3) "Alcohol counteradvertisement" means a message, conveyed
26 through any medium, intended to educate the public about an issue of
27 public importance relating to the use of alcohol, such as: The illegal
28 use of alcohol by minors; drunk driving; or alcoholism.

29 (4) "Liquor" means the same as the definition in RCW 66.04.010.

1 (5) Except for the terms defined in this section, the definitions
2 in chapters 82.04, 82.08, and 82.12 RCW apply to this chapter.

3 NEW SECTION. **Sec. 3.** There is levied and there shall be
4 collected a tax on each sale of advertising time or space to any person
5 or entity selling or promoting the sale of liquor equal to ten percent
6 of the selling price of the advertising time or space.

7 NEW SECTION. **Sec. 4.** (1) Chapter 82.32 RCW and RCW 82.08.050,
8 82.08.055, 82.08.060, 82.08.100, and 82.08.120 apply to the tax imposed
9 in this chapter. The tax due dates, reporting periods, and return
10 requirements applicable to chapter 82.04 RCW apply equally to the tax
11 imposed in this chapter.

12 (2) The department of revenue shall by rule provide a method or
13 methods of apportioning or allocating the taxable selling price of the
14 advertising taxed under this chapter if the tax is applied to national,
15 international, or multistate advertising and does not fairly represent
16 the taxpayer's activity attributable to this state. The rule shall
17 require the consideration of those facts, circumstances, and
18 apportionment factors as will result in an equitable and
19 constitutionally permissible division of the taxable activity.

20 NEW SECTION. **Sec. 5.** The alcohol counteradvertising account
21 is created in the custody of the state treasurer. All designated
22 receipts from this chapter shall be deposited into the account.
23 Expenditures from the account may be made only on the authorization of
24 the director of the division of alcohol and substance abuse in the
25 department of social and health services for the purpose of creating
26 and administering a public awareness campaign as provided in section 6
27 of this act.

1 NEW SECTION. **Sec. 6.** (1) A full-time public information
2 officer within the department of social and health services division of
3 alcohol and substance abuse shall design and administer a public
4 awareness campaign using a multimedia approach to disseminate
5 information to the general public. The goal of the campaign is to
6 raise public awareness regarding the dangers of alcohol consumption by
7 minors, alcohol-impaired driving, and alcohol abuse.

8 (2) In administering the public awareness campaign, the public
9 information officer shall:

10 (a) Produce or contract for the production of alcohol
11 counteradvertisements if necessary to fulfill the purposes of this
12 chapter;

13 (b) Purchase the rights to use alcohol counteradvertisements that
14 have already been produced by other entities, if the director deems the
15 counteradvertisements to be of acceptable quality and consistent with
16 the purposes of this chapter, and if this option is more cost-effective
17 than producing original counteradvertisements of comparable quality;

18 (c) Purchase advertising time and space that is reasonably
19 calculated to have the greatest impact on minors, potential drunk
20 drivers, and problem drinkers;

21 (d) Solicit donations of public service advertising time and space
22 whenever possible; and

23 (e) Study the impacts of the campaign on a continual basis and
24 report the results of this study to the house of representatives and
25 senate commerce and labor committees every two years beginning with the
26 1993 regular legislative session.

27 NEW SECTION. **Sec. 7.** If any provision of this act or its
28 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

3 NEW SECTION. **Sec. 8.** Sections 1 through 7 of this act shall
4 constitute a new chapter in Title 82 RCW.

5 NEW SECTION. **Sec. 9.** This act shall take effect October 1,
6 1992.