Washington State House of Representatives

BILL ANALYSIS

Office of Program Research

Commerce & Labor Committee

HB 2113

Brief Description: Regarding objections by cities, towns, and counties to the issuance of liquor licenses.

Sponsors: Representatives Williams, Goodman, Green, Hunt and Simpson.

Brief Summary of Bill

- Allows the Liquor Control Board (Board) to issue a liquor license over the objection of local jurisdictions only if the Board is left with the definite and firm conviction that the objections are incorrect.
- Provides that objections may be based on threats to public health or safety and other criteria.

Hearing Date: 2/26/07

Staff: Joan Elgee (786-7106).

Background:

The Liquor Control Board (Board) issues a number of types of liquor licenses. Licenses are good for one year.

Before issuing any type of license, the Board may inspect the premises and investigate the applicant. The Board has discretion to grant or deny the license. The Board must also notify the city, town, or county, as appropriate. The local jurisdiction may file written objections against the applicant or premises within 20 days after the notice. The objections must include a statement of all facts upon which the objections are based. If the Board grants a license, it must notify the local jurisdiction.

By rule, the Board gives local jurisdictions 90 days notice of license renewals. A local jurisdiction may object to a renewal by submitting a letter to the Board. The letter must state specific reasons and facts that show issuance of the license will detrimentally impact the safety, health, or welfare of the community.

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If the Board grants a license or a renewal, the local jurisdiction may request an adjudication hearing under the Administrative Procedure Act.

A spirits, beer, and wine restaurant license authorizes the sale of spirits by the glass, beer, and wine, for on-premises consumption by establishments that serve complete meals. The total number of spirits, beer, and wine restaurant licenses is limited to one license for each 1,450 people in the state. In addition to this restriction, the Board must refuse a license if, in the opinion of the Board, the licenses already granted for the particular locality are adequate for the reasonable needs of the community.

Summary of Bill:

The Liquor Control Board's authority to issue liquor licenses when local jurisdictions object is modified. With respect to all licenses, the Board must give substantial weight to objections based upon:

- threats to public health or safety by operation of the licensed premises or the conduct of the licensee's patrons either within or without the licensed premises;
- an unreasonably high number of driving under the influence citations associated with the proposed licensed premises, as indicated by, among other things, the reported statements of patrons to the Washington State Patrol (WSP); or
- an unreasonably high use of local police resources by the proposed licensee or its patrons, as documented by calls for police service, police field contacts, or other reasonable measures.

The burden to demonstrate the contrary of such objection is on the proposed licensee. "Substantial weight" means the Board may issue a license despite the local jurisdiction's objections only if, after applying a clearly erroneous standard of review, the Board is left with the definite and firm conviction that the objections are incorrect.

With respect to spirits, beer, and wine restaurant licenses, the Board must refuse a license if the issuance will:

- pose a threat to public health or safety by operation of the licensed premises or the conduct of the licensee's patrons either within or without the licensed premises;
- result in an unreasonably high number of driving under the influence citations associated with the proposed licensed premises, as indicted by, among other things, the reported statements of patrons to the WSP; or
- result in an unreasonably high use of local police resources by the proposed licensee or its patrons, as documented by calls for police service, number of police field contacts, or such other reasonable measures.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Requested on February 26, 2007.

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