As Reported By Senate Committee On: Labor, Commerce, Research & Development, March 20, 2007

- **Title:** An act relating to sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.
- **Brief Description:** Authorizing the sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.

**Sponsors:** Representatives Condotta and Wood.

Brief History: Passed House: 3/09/07, 97-0.

Committee Activity: Labor, Commerce, Research & Development: 3/19/07, 3/20/07 [DP].

## SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

## Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Clements, Ranking Minority Member; Franklin, Hewitt, Holmquist and Murray.

**Staff:** Jennifer Strus (786-7316)

**Background:** The Liquor Control Board (LCB) issues a number of types of liquor licenses. These include licenses for spirits, beer, and wine restaurants; beer and/or wine restaurants; taverns; grocery stores; and beer and/or wine specialty shops. Kegs (or other containers holding four gallons or more) of malt liquor may be sold by the following licensees:

- Beer and/or wine restaurants and taverns which require an additional license and allow containers holding four gallons or more;
- Grocery stores which require an endorsement issued by the LCB and containers which must be smaller than five and one-half gallons;
- Beer and/or wine specialty shops which require an endorsement from the LCB.

Containers must be smaller than five and one-half gallons.

Under keg registration requirements, sellers and purchasers of kegs or other large containers must follow certain procedures. The seller and purchaser must complete a registration form with information about the purchaser's identity and the address where the keg will be located or consumed. Copies of the registration must be provided to the purchaser, kept by the seller, and be posted near the container. The purchaser must affirm that he or she: (1) is at least 21

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years old; (2) will not tamper with the registration form; and (3) will not provide alcohol to a minor. Identification must be placed on the containers for purposes of tracing the purchasers.

**Summary of Bill:** With an endorsement from the LCB, spirits, beer, and wine restaurant licensees may sell malt liquor in kegs or other containers capable of holding four or more gallons. The restaurants must meet the same keg registration requirements as other establishments.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO/OTHER: A number of businesses have changed from a beer and/or wine license or a tavern license to a spirits, beer and wine restaurant license. As a result, with the change in license, these businesses have lost the ability to sell kegs of malt liquor. This bill would allow those businesses who used to sell these kegs to continue to do so under the new license. The regulatory oversight of these keg sales would not be altered by this bill. The keg registration law would still apply to these sales.

**Persons Testifying:** PRO: Representative Condotta, prime sponsor; Michael Transue, Washington Restaurant Association.

OTHER: Rick Garza, LCB.