SENATE BILL REPORT SB 6065

As of February 23, 2009

Title: An act relating to the structure and authority of the liquor control board.

Brief Description: Addressing the structure and authority of the liquor control board.

Sponsors: Senators Fairley and Shin; by request of Governor Gregoire.

Brief History:

Committee Activity: Government Operations & Elections: 2/24/09.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Edward Redmond (786-7471)

Background: The Washington State Liquor Control Board (Board) is a three-member board charged with the administration of the Washington State Liquor Act (Act). As an agency, the Board operates the state liquor stores; oversees contract liquor stores; issues liquor licenses and permits; regulates the manufacture, distribution and sale of beer and wine; enforces liquor and tobacco laws; conducts education; and collects taxes. The Board has authority to adopt rules to carry the Act into effect.

Board members are appointed by the Governor with the consent of the Senate for six-year terms. The Governor may appoint one of the members as Chair of the Board (Chair). Board members must devote their entire time to the duties of the office, may not hold any other public office, and are salaried.

Streamlining of the Board commenced in 2000 when an Administrative Director was hired and tasked with the responsibility of day-to-day operations. The work and pay of the Board was subsequently reduced to 60 percent in 2002. A comprehensive management review of the Board was conducted by an independent consulting firm in 2005. The consulting firm recommended that a voluntary board structure be implemented.

Summary of Bill: The Board is changed from an agency administered by salaried Board members to an agency administered by a director with the oversight of part-time Board members. The Office of Director of the Board (Director) is established. The Director is appointed by the Governor with the consent of the Senate and serves at the pleasure of the

Senate Bill Report -1 - SB 6065

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Governor. The Director is responsible for the supervision and administration of the operation of the Board.

The Board members must meet at least monthly, at such other times as called by the Chair, or upon written request to the Chair by two of the Board members. The restriction on Board members holding other offices is removed. Board members oversee compensation, receive \$100 for each day the member attends an official meeting or performs duties approved by the Chair, and receive travel expenses.

Appropriation: None.

Fiscal Note: Requested on February 20, 2009.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2009.

Senate Bill Report - 2 - SB 6065