

# FINAL BILL REPORT

## HB 1058

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### C 163 L 95

#### Synopsis as Enacted

**Brief Description:** Affecting the repeal of liquor vendors' appeals as authorized by RCW 41.06.150.

**Sponsors:** Representatives Horn and Sheldon; by request of Liquor Control Board.

**House Committee on Commerce & Labor**  
**Senate Committee on Labor, Commerce & Trade**

**Background:** The Washington State Liquor Control Board has authority to appoint liquor vendors in communities where no state liquor store exists. These vendors sell liquor either through existing private retail businesses or as a separate business.

For many purposes, they are considered independent contractors rather than state employees. They are not part of the state retirement system. They currently may not receive health insurance coverage as state employees. Effective January 1, 1994, the IRS has ruled that liquor vendors appointed by the board are treated as independent contractors for tax purposes.

Liquor vendors are exempt from the civil service system. However, those who sell liquor, excluding those who sell in addition to their private retail businesses, do have a statutory right to appeal to the state Personnel Resources Board. The state Personnel Resources Board sets the policies that govern state employees who are part of the state's civil service system.

**Summary:** Liquor vendors who are appointed by the Liquor Control Board to sell liquor in communities where no state liquor store exists are no longer subject to the state civil service system and the rules of the state Personnel Resources Board.

**Votes on Final Passage:**

House	96 0
Senate	47 0

**Effective:** May 1, 1995