

# SENATE BILL REPORT

## 2SHB 2782

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As Reported By Senate Committee On:  
Commerce & Labor, February 24, 1998

**Title:** An act relating to special event endorsements to full service private club licenses.

**Brief Description:** Authorizing special event endorsements to full service private club licenses.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives McMorris and Wood).

**Brief History:**

**Committee Activity:** Commerce & Labor: 2/23/98, 2/24/98 [DP].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

**Staff:** David Pringle (786-7448)

**Background:** A full service private club license allows the licensee to serve liquor on the club's premises to club members, guests and visitors. A club must be a nonprofit organization with a social, educational, benevolent or athletic purpose.

Under this license, a club may purchase liquor from the Liquor Control Board at a discount and then sell the liquor by the drink to club members, guests or visitors. Club rules must comply with certain limitations on guest privileges. Visitors must be accompanied by a club member at all times. The club's premises may be used for events open to the general public, but no liquor may be served to the public at these events.

A full service private club license has an annual cost of \$720. A full service restaurant license ranges from \$1000 to \$2000 depending on the area of the facility dedicated to dining and the type of liquor served.

**Summary of Bill:** A full service private club licensee may obtain an endorsement for up to 50 non-club events using club liquor for an annual fee of \$900. Events may not be open to the general public, and the holder of the endorsement must give notice of the event to the Liquor Control Board upon the board's request. This notice, if requested, must be given at least 72 hours before the event takes place.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect July 1, 1998.

**Testimony For:** Private clubs and restaurants both pay for liquor licenses. We've tried to put together a bill that would have us pay roughly the same as a restaurant for a license to hold just 50 events at our clubs each year. This is a narrow bill that allows club managers to serve club member needs. The current law is unclear, and puts many events currently being held in question.

**Testimony Against:** On the surface, this bill looks good but should be made the subject of an interim study. It is unfair competition, as the clubs have some tax and financial advantages over restaurants.

**Testified:** PRO: Stu Halsan, Washington Association of Clubs; Jack Kirkpatrick, Sand Point Country Club; Dud Brown, Elks Club of Tacoma; CONCERNS: Kit Hawkins, Washington Association of Restaurants.