

HOUSE BILL REPORT

ESSB 5712

As Passed House:

April 9, 1999

Title: An act relating to motel liquor licenses.

Brief Description: Regulating motel liquor licenses.

Sponsors: Senate Committee on Commerce, Trade, Housing & Financial Institutions
(originally sponsored by Senators Prentice, Hale, Bauer, West and Winsley).

Brief History:

Committee Activity:

Commerce & Labor: 4/2/99 [DP];

Appropriations: 4/5/99 [DP].

Floor Activity:

Passed House: 4/9/99, 91-1.

Brief Summary of Engrossed Substitute Bill

- Allows a motel licensee to hold other liquor licenses.
- Allows a motel licensee to serve complimentary beer and wine to guests at a set time and place.
- Establishes the motel license fee at \$500 annually.
- Changes the definition of motel for purposes of this license.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair; Hurst; Lisk; McIntire and McMorris.

Staff: Pam Madson (786-7166).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 32 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

Staff: Heather Flodstrom (786-7391).

Background:

Motel Liquor License

The Liquor Control Board may issue a motel retail liquor license to a facility that offers three or more self contained units to travelers for overnight lodging. The licensee may sell spirits, beer and wine in small containers through a locked honor bar located in the guest's room. An honor bar is a cabinet or refrigerator secured by a lock to which the guest has access. The honor bar must also contain snack foods.

A motel licensee may not hold any other liquor license. Typically, a motel license is issued to a facility that does not have a restaurant on the premises.

A guest must be 21 years of age or older to use a room with an honor bar and must verify that no one under the age of 21 will have access to the liquor in the honor bar.

The board sets the fee for this license. The current fee is \$300. As of 1997, there was one motel licensee.

For purposes of a motel license, the term motel means a facility offering three or more self-contained units to travelers and transient guests.

Special Liquor Permit

The board may issue a special permit to allow a business not otherwise licensed by the board to serve liquor that is consumed on the business premises. All liquor purchased by the business for this purpose must be purchased at retail from a licensed retailer. Liquor provided to guests under this permit must be provided at no charge and in a specified location.

The permit is issued for one year, and the permit fee is \$500.

Summary of Bill:

The restriction against a motel licensee holding any other liquor license is removed.

A motel license also allows the licensee to serve beer and wine by the individual serving to overnight guests without additional charge. The service must be on a regular date, at a regular time and place as set by the board. The beer and wine must be served by an employee who has received alcohol server training. No self-service is authorized.

The annual license fee is established by the Legislature rather than the board at \$500.

For purposes of the motel liquor license, the term motel means a facility offering three or more units to guests. The facility is licensed and regulated by the Department of Health.

Appropriation: None.**Fiscal Note:** Available.**Effective Date:** Ninety days after adjournment of session in which bill is passed.**Testimony For:** (Commerce & Labor) None.

(Appropriations) This bill provides for those 30 motels that currently have class 4 permits to convert to class M licenses. It also allows motels to apply for other types of licenses such as for a convenience store that wishes to sell alcohol on the motel premises. License fees for these additional licenses are applicable and would have to be paid for by the motels. The hosted liquor with hors d'oeuvres is not new; motels are already doing this under their class 4 permits. Although the Liquor Control Board estimates that applicants for this type of license are likely to go up to 100, probably only the 30 motels that currently have class 4 permits will convert to the new license. It is important to note that motels that want class M licenses are also required to get a \$250 permit from the Bureau of Alcohol, Tobacco and Firearms if they're going to serve alcohol. This permit, in addition to the equipment necessary for the honor bars, etc., are additional costs to the motels, so there will probably very few motels who want this type of license. Only those motels that currently have the class 4 permits are likely to want this new class M license.

Testimony Against: (Commerce & Labor) None.

(Appropriations) None.

Testified: (Commerce & Labor) None.

(Appropriations) Mark Triplett, Northwest Hospitality Group; and Becky Bogard, Washington State Hotel and Motel Association.