

HOUSE BILL REPORT

HB 2897

As Passed House:
February 8, 2006

Title: An act relating to liquor licensees holding a caterer's endorsement.

Brief Description: Modifying the liquor licensee's caterer's endorsement to include passenger vessels.

Sponsors: By Representatives Condotta and Dunn.

Brief History:

Committee Activity:

Commerce & Labor: 1/23/06 [DP].

Floor Activity:

Passed House: 2/8/06, 98-0.

Brief Summary of Bill

- Allows caterers licensed to sell alcoholic beverages to operate on any boat, ship, vessel, barge, or other floating craft of any kind carrying passengers for compensation.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Holmquist, Hudgins, Kenney and McCoy.

Staff: Sarah Dylag (786-7109).

Background:

Restaurants that are licensed to sell spirits, beer, and wine or beer and/or wine only may apply for a caterer's endorsement from the Washington State Liquor Control Board (Board). A caterer's endorsement allows the licensee to extend the on-premises license privilege and allow the sale and service of liquor for an event at approved locations other than the licensed premises, subject to certain requirements. If the event is open to the public, it must be sponsored by a non-profit. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a non-profit is waived.

The locations where a licensee with a caterer's endorsement may sell liquor are limited to places not currently licensed by the Board, except that a person with a caterer's endorsement is permitted to operate on the premises of a domestic winery. Agreements between the domestic winery and the caterer must be in writing, contain no exclusivity clauses regarding the alcohol beverages to be served, and be filed with the Board. The domestic winery and the caterer must be separately contracted and compensated by the persons sponsoring the event for their respective services.

Summary of Bill:

A person holding a caterer's endorsement from the Board is authorized to also operate on the premises of any passenger vessel. Passenger vessel is defined to mean "any boat, ship, vessel, barge, or other floating craft of any kind carrying passengers for compensation."

The passenger vessel and the caterer must be separately contracted and compensated by the persons sponsoring the event for their respective services. Agreements between the passenger vessel and the caterer must be in writing, contain no exclusivity clauses regarding the alcohol beverages to be served, and be filed with the Board.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (In support) There is a lot going on in the tourism and wine industry with a lot of groups co-marketing and working together. These synergies work, but there are a number of places in current law that slow that process. It works well when restaurants get together with wineries and caterers get together with boat companies.

This issue has arisen in the Lake Chelan area. A person might have a wedding and want to have a caterer operate on a vessel in Lake Chelan. However, because the Lake Chelan Boat Company is a licensed vessel during their normal run, a caterer cannot, under current law, use the caterer's endorsement aboard. But the caterer can go to a winery and use the caterer's endorsement. This bill is a clarification so that the caterer can operate on vessels.

(Neutral) If a vessel holds a restaurant beer and wine license, the vessel cannot have a caterer come on board and operate. This bill would allow the caterer to operate on the vessel. The Board does not see a problem with allowing this.

Testimony Against: None.

Persons Testifying: (In support) Jim Rogers, J.R.'s Bar & Grill.

(Neutral) Rick Garza, Washington State Liquor Control Board.

Persons Signed In To Testify But Not Testifying: None.