

HOUSE BILL REPORT

HB 1409

As Passed Legislature

Title: An act relating to updating references to contract liquor stores.

Brief Description: Revising provisions relating to contract liquor stores.

Sponsors: By Representatives Condotta, Wood and Conway; by request of Liquor Control Board.

Brief History:

Committee Activity:

Commerce & Labor: 2/2/05, 2/3/05 [DP].

Floor Activity:

Passed House: 2/25/05, 95-0.

Passed Senate: 4/7/05, 45-0.

Passed Legislature.

Brief Summary of Bill

- Changes references in state liquor laws from "agencies and vendors" to "contract liquor stores and contract liquor store managers."

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Sump, Assistant Ranking Minority Member; Crouse, Hudgins and McCoy.

Staff: Rebekah Ward (786-7106).

Background:

The Liquor Control Board (Board) currently owns and operates 157 state liquor stores. Additionally, the Board contracts with, and provides oversight of, individual businesses for the sale of spirits in other stores. There are 154 "agency" or "contract liquor" stores. The managers of these stores are "vendors."

Prior to 1994, contract liquor store managers were considered state employees, and were referred to in state law as "vendors" and their stores as "agencies." A 1994 Internal Revenue Service ruling changed their status to independent contractors. As a result, the Board, in agreement with the contract managers, changed their designation to "contract liquor store managers" and their stores to "contract liquor stores."

Summary of Bill:

The terms "vendors" and "agency store managers" are changed to reflect the contractual relationship between the Board and the contract liquor stores. These changes make the terms consistent with the 1994 Internal Revenue Service ruling that changed the status of contract liquor store employees and managers to independent contractors.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill will update the statutory references to contract liquor stores and contract liquor store managers to reflect the contractual relationship between the contract liquor stores and the Liquor Control Board that has occurred; because of the 1994 ruling by the Internal Revenue Service.

Testimony Against: None.

Persons Testifying: Rick Garza, Washington State Liquor Control Board.

Persons Signed In To Testify But Not Testifying: None.