

---

**SUBSTITUTE HOUSE BILL 1965**

---

**State of Washington                      64th Legislature                      2015 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Hudgins and Ormsby; by request of Liquor Control Board)

READ FIRST TIME 02/27/15.

1            AN ACT Relating to a temporary additional fee on licenses and  
2 permits issued by the Washington state liquor control board; adding a  
3 new section to chapter 66.08 RCW; creating new sections; providing an  
4 effective date; providing expiration dates; and declaring an  
5 emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7            NEW SECTION.    **Sec. 1.**    (1) A nonrefundable additional fee is  
8 imposed on all applications and renewals of licenses and permits  
9 relating to spirits, wine, and beer required under chapters 66.20 and  
10 66.24 RCW, with the exception of license issuance fees of seventeen  
11 percent of revenues owed by spirits retail licensees under RCW  
12 66.24.630(4)(a), and the five to ten percent license issuance fee for  
13 spirits distributors under RCW 66.24.055(3). The fee applies to all  
14 applications and license modifications received on or after the  
15 effective date of this section and renewals where the date of license  
16 expiration is on or after June 30, 2015. The fee is equal to eleven  
17 percent of the licensing or permit fee due under chapters 66.20 and  
18 66.24 RCW. If the fee is not a whole dollar amount, the fee must be  
19 rounded up to the next whole dollar.

20            (2) This section expires June 30, 2017.

1        NEW SECTION.        **Sec. 2.**        (1) Beginning July 1, 2015, a  
2 nonrefundable additional fee is imposed on all applications and  
3 renewals of licenses relating to marijuana required under chapter  
4 69.50 RCW. The fee applies to all applications and license  
5 modifications received on or after the effective date of this section  
6 and renewals where the date of license expiration is on or after June  
7 30, 2015. The fee is equal to eleven percent of the licensing or  
8 permit fee otherwise due under chapter 69.50 RCW. If the fee is not a  
9 whole dollar amount, the fee must be rounded up to the next whole  
10 dollar.

11        (2) This section expires June 30, 2017.

12        NEW SECTION.        **Sec. 3.**        A new section is added to chapter 66.08  
13 RCW to read as follows:

14        (1) The licensing and enforcement system modernization project  
15 account is created in the custody of the state treasurer. All  
16 receipts from sections 1 and 2 of this act must be deposited into the  
17 account. Expenditures from the account may be only used for the  
18 expenses of replacing and modernizing the board's licensing,  
19 enforcement, and imaging system. The expenditures may be expended for  
20 automation of licenses and permits, electronic payments, data  
21 warehousing, project management and system testing, consulting,  
22 contracting, and staff time, and any necessary data conversion,  
23 software, hardware, and related equipment costs. Before making  
24 expenditures from the account, the board must conduct a thorough  
25 business process examination to ensure the new system provides  
26 efficient and effective service delivery. As part of the examination,  
27 the board must evaluate and articulate how any new system procurement  
28 serves the current and future needs of the internal and external  
29 stakeholders, the customers, and the public. Only the director of the  
30 board or the director's designee may authorize expenditures from the  
31 account. The account is subject to allotment procedures under chapter  
32 43.88 RCW, but an appropriation is not required for expenditures.

33        (2) This section expires June 30, 2019.

34        NEW SECTION.        **Sec. 4.**        This act is necessary for the immediate  
35 preservation of the public peace, health, or safety, or support of

1 the state government and its existing public institutions, and takes  
2 effect May 15, 2015.

--- END ---