

SSB 5291 - H COMM AMD

By Committee on Regulated Substances & Gaming

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 66.24.010 and 2019 c 370 s 1 are each amended to  
4 read as follows:

5 (1) Every license must be issued in the name of the applicant,  
6 and the holder thereof may not allow any other person to use the  
7 license.

8 (2) For the purpose of considering any application for a license,  
9 or the renewal of a license, the board may cause an inspection of the  
10 premises to be made, and may inquire into all matters in connection  
11 with the construction and operation of the premises. For the purpose  
12 of reviewing any application for a license and for considering the  
13 denial, suspension, revocation, or renewal or denial thereof, of any  
14 license, the board may consider any prior criminal conduct of the  
15 applicant including an administrative violation history record with  
16 the board and a criminal history record information check. The board  
17 may submit the criminal history record information check to the  
18 Washington state patrol and to the identification division of the  
19 federal bureau of investigation in order that these agencies may  
20 search their records for prior arrests and convictions of the  
21 individual or individuals who filled out the forms. The board must  
22 require fingerprinting of any applicant whose criminal history record  
23 information check is submitted to the federal bureau of  
24 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A  
25 RCW do not apply to such cases. Subject to the provisions of this  
26 section, the board may, in its discretion, grant or deny the renewal  
27 or license applied for. Denial may be based on, without limitation,  
28 the existence of chronic illegal activity documented in objections  
29 submitted pursuant to subsections (8)(d) and (12) of this section.  
30 Authority to approve an uncontested or unopposed license may be  
31 granted by the board to any staff member the board designates in

1 writing. Conditions for granting such authority must be adopted by  
2 rule. No retail license of any kind may be issued to:

3 (a) A person doing business as a sole proprietor who has not  
4 resided in the state for at least one month prior to receiving a  
5 license, except in cases of licenses issued to dining places on  
6 railroads, boats, or aircraft;

7 (b) A copartnership, unless all of the members thereof are  
8 qualified to obtain a license, as provided in this section;

9 (c) A person whose place of business is conducted by a manager or  
10 agent, unless such manager or agent possesses the same qualifications  
11 required of the licensee;

12 (d) A corporation or a limited liability company, unless it was  
13 created under the laws of the state of Washington or holds a  
14 certificate of authority to transact business in the state of  
15 Washington.

16 (3)(a) The board may, in its discretion, subject to the  
17 provisions of RCW 66.08.150, suspend or cancel any license; and all  
18 rights of the licensee to keep or sell liquor thereunder must be  
19 suspended or terminated, as the case may be.

20 (b) The board must immediately suspend the license or certificate  
21 of a person who has been certified pursuant to RCW 74.20A.320 by the  
22 department of social and health services as a person who is not in  
23 compliance with a support order. If the person has continued to meet  
24 all other requirements for reinstatement during the suspension,  
25 reissuance of the license or certificate is automatic upon the  
26 board's receipt of a release issued by the department of social and  
27 health services stating that the licensee is in compliance with the  
28 order.

29 (c) Upon written notification by the department of revenue in  
30 accordance with RCW 82.08.155 that a person is more than thirty days  
31 delinquent in reporting or remitting spirits taxes to the department,  
32 the board must suspend all spirits licenses held by that person. The  
33 board must also refuse to renew any existing spirits license of, or  
34 issue any new spirits license to, the person or any other applicant  
35 controlled directly or indirectly by that person. The board may not  
36 reinstate a person's spirits license or renew or issue a new spirits  
37 license to that person, or an applicant controlled directly or  
38 indirectly by that person, until such time as the department of  
39 revenue notifies the board that the person is current in reporting  
40 and remitting spirits taxes or that the department consents to the

1 reinstatement or renewal of the person's spirits license or the  
2 issuance of a new spirits license to the person. For purposes of this  
3 section: (i) "Spirits license" means any license issued by the board  
4 under the authority of this chapter that authorizes the licensee to  
5 sell spirits; and (ii) "spirits taxes" has the same meaning as in RCW  
6 82.08.155.

7 (d) The board may request the appointment of administrative law  
8 judges under chapter 34.12 RCW who must have power to administer  
9 oaths, issue subpoenas for the attendance of witnesses and the  
10 production of papers, books, accounts, documents, and testimony,  
11 examine witnesses, and to receive testimony in any inquiry,  
12 investigation, hearing, or proceeding in any part of the state, under  
13 such rules and regulations as the board may adopt.

14 (e) Witnesses are allowed fees and mileage each way to and from  
15 any such inquiry, investigation, hearing, or proceeding at the rate  
16 authorized by RCW 34.05.446. Fees need not be paid in advance of  
17 appearance of witnesses to testify or to produce books, records, or  
18 other legal evidence.

19 (f) In case of disobedience of any person to comply with the  
20 order of the board or a subpoena issued by the board, or any of its  
21 members, or administrative law judges, or on the refusal of a witness  
22 to testify to any matter regarding which he or she may be lawfully  
23 interrogated, the judge of the superior court of the county in which  
24 the person resides, on application of any member of the board or  
25 administrative law judge, must compel obedience by contempt  
26 proceedings, as in the case of disobedience of the requirements of a  
27 subpoena issued from said court or a refusal to testify therein.

28 (4) Upon receipt of notice of the suspension or cancellation of a  
29 license, the licensee must forthwith deliver up the license to the  
30 board. Where the license has been suspended only, the board must  
31 return the license to the licensee at the expiration or termination  
32 of the period of suspension. The board must notify all vendors in the  
33 city or place where the licensee has its premises of the suspension  
34 or cancellation of the license; and no employee may allow or cause  
35 any liquor to be delivered to or for any person at the premises of  
36 that licensee.

37 (5) (a) For the original issuance of a liquor license, including  
38 the approval of a conditional license as provided in (b) of this  
39 subsection, the board must set the expiration date of the license to  
40 the last day of the calendar month that is twelve months from the

1 calendar month in which final approval of the license is granted.  
2 Upon renewal, the expiration date of the license, including licenses  
3 approved under (b) of this subsection, may subsequently be prorated  
4 as necessary in accordance with chapter 19.02 RCW.

5 (b) (i) When an applicant for a liquor license is qualified for  
6 approval of the license in every way except having executed a lease  
7 or purchase agreement for the proposed licensed premises, the board  
8 must grant conditional approval to the applicant.

9 (ii) Upon notification to the board of execution of the lease or  
10 purchase agreement putting the applicant in control of the premises,  
11 the board must immediately grant final approval of the license  
12 issuance, and the licensee may immediately begin exercising all  
13 privileges provided under the license, except as otherwise provided  
14 under this title.

15 (iii) For the purposes of this title, the term "license" includes  
16 "conditional license."

17 (6) Every license issued under this section is subject to all  
18 conditions and restrictions imposed by this title or by rules adopted  
19 by the board. All conditions and restrictions imposed by the board in  
20 the issuance of an individual license may be listed on the face of  
21 the individual license along with the trade name, address, and  
22 expiration date. Conditions and restrictions imposed by the board may  
23 also be included in official correspondence separate from the  
24 license. All spirits licenses are subject to the condition that the  
25 spirits license holder must report and remit to the department of  
26 revenue all spirits taxes by the date due.

27 (7) Every licensee must post and keep posted its license, or  
28 licenses, and any additional correspondence containing conditions and  
29 restrictions imposed by the board in a conspicuous place on the  
30 premises.

31 (8) (a) Unless (b) of this subsection applies, before the board  
32 issues a new or renewal license to an applicant it must give notice  
33 of such application to the chief executive officer of the  
34 incorporated city or town, if the application is for a license within  
35 an incorporated city or town, or to the county legislative authority,  
36 if the application is for a license outside the boundaries of  
37 incorporated cities or towns.

38 (b) If the application for a special occasion license is for an  
39 event held during a county, district, or area fair as defined by RCW  
40 15.76.120, and the county, district, or area fair is located on

1 property owned by the county but located within an incorporated city  
2 or town, the county legislative authority must be the entity notified  
3 by the board under (a) of this subsection. The board must send a  
4 duplicate notice to the incorporated city or town within which the  
5 fair is located.

6 (c) The incorporated city or town through the official or  
7 employee selected by it, or the county legislative authority or the  
8 official or employee selected by it, has the right to file with the  
9 board within twenty days after the date of transmittal of such notice  
10 for applications, or at least thirty days prior to the expiration  
11 date for renewals, written objections against the applicant or  
12 against the premises for which the new or renewal license is asked.  
13 The board may extend the time period for submitting written  
14 objections.

15 (d) The written objections must include a statement of all facts  
16 upon which such objections are based, and in case written objections  
17 are filed, the city or town or county legislative authority may  
18 request and the board may in its discretion hold a hearing subject to  
19 the applicable provisions of Title 34 RCW. If the board makes an  
20 initial decision to deny a license or renewal based on the written  
21 objections of an incorporated city or town or county legislative  
22 authority, the applicant may request a hearing subject to the  
23 applicable provisions of Title 34 RCW. If such a hearing is held at  
24 the request of the applicant, board representatives must present and  
25 defend the board's initial decision to deny a license or renewal.

26 (e) Upon the granting of a license under this title the board  
27 must send written notification to the chief executive officer of the  
28 incorporated city or town in which the license is granted, or to the  
29 county legislative authority if the license is granted outside the  
30 boundaries of incorporated cities or towns. When the license is for a  
31 special occasion license for an event held during a county, district,  
32 or area fair as defined by RCW 15.76.120, and the county, district,  
33 or area fair is located on county-owned property but located within  
34 an incorporated city or town, the written notification must be sent  
35 to both the incorporated city or town and the county legislative  
36 authority.

37 (9) (a) Before the board issues any license to any applicant, it  
38 shall give (i) due consideration to the location of the business to  
39 be conducted under such license with respect to the proximity of  
40 churches, schools, and public institutions and (ii) written notice((7

1 ~~with receipt verification,~~) of the application to public  
2 institutions identified by the board as appropriate to receive such  
3 notice, churches, and schools within five hundred feet of the  
4 premises to be licensed. The board may not issue a liquor license for  
5 either on-premises or off-premises consumption covering any premises  
6 not now licensed, if such premises are within five hundred feet of  
7 the premises of any tax-supported public elementary or secondary  
8 school measured along the most direct route over or across  
9 established public walks, streets, or other public passageway from  
10 the main entrance of the school to the nearest public entrance of the  
11 premises proposed for license, and if, after receipt by the school of  
12 the notice as provided in this subsection, the board receives written  
13 objection, within twenty days after receiving such notice, from an  
14 official representative or representatives of the school within five  
15 hundred feet of said proposed licensed premises, indicating to the  
16 board that there is an objection to the issuance of such license  
17 because of proximity to a school. The board may extend the time  
18 period for submitting objections. For the purpose of this section,  
19 "church" means a building erected for and used exclusively for  
20 religious worship and schooling or other activity in connection  
21 therewith. For the purpose of this section, "public institution"  
22 means institutions of higher education, parks, community centers,  
23 libraries, and transit centers.

24 (b) No liquor license may be issued or reissued by the board to  
25 any motor sports facility or licensee operating within the motor  
26 sports facility unless the motor sports facility enforces a program  
27 reasonably calculated to prevent alcohol or alcoholic beverages not  
28 purchased within the facility from entering the facility and such  
29 program is approved by local law enforcement agencies.

30 (c) It is the intent under this subsection (9) that a retail  
31 license may not be issued by the board where doing so would, in the  
32 judgment of the board, adversely affect a private school meeting the  
33 requirements for private schools under Title 28A RCW, which school is  
34 within five hundred feet of the proposed licensee. The board must  
35 fully consider and give substantial weight to objections filed by  
36 private schools. If a license is issued despite the proximity of a  
37 private school, the board must state in a letter addressed to the  
38 private school the board's reasons for issuing the license.

39 (10) The restrictions set forth in subsection (9) of this section  
40 do not prohibit the board from authorizing the assumption of existing

1 licenses now located within the restricted area by other persons or  
2 licenses or relocations of existing licensed premises within the  
3 restricted area. In no case may the licensed premises be moved closer  
4 to a church or school than it was before the assumption or  
5 relocation.

6 (11)(a) Nothing in this section prohibits the board, in its  
7 discretion, from issuing a temporary retail or distributor license to  
8 an applicant to operate the retail or distributor premises during the  
9 period the application for the license is pending. The board may  
10 establish a fee for a temporary license by rule.

11 (b) A temporary license issued by the board under this section  
12 must be for a period not to exceed sixty days. A temporary license  
13 may be extended at the discretion of the board for additional periods  
14 of sixty days upon payment of an additional fee and upon compliance  
15 with all conditions required in this section.

16 (c) Refusal by the board to issue or extend a temporary license  
17 shall not entitle the applicant to request a hearing. A temporary  
18 license may be canceled or suspended summarily at any time if the  
19 board determines that good cause for cancellation or suspension  
20 exists. RCW 66.08.130 applies to temporary licenses.

21 (d) Application for a temporary license must be on such form as  
22 the board shall prescribe. If an application for a temporary license  
23 is withdrawn before issuance or is refused by the board, the fee  
24 which accompanied such application must be refunded in full.

25 (12) In determining whether to grant or deny a license or renewal  
26 of any license, the board must give substantial weight to objections  
27 from an incorporated city or town or county legislative authority  
28 based upon chronic illegal activity associated with the applicant's  
29 operations of the premises proposed to be licensed or the applicant's  
30 operation of any other licensed premises, or the conduct of the  
31 applicant's patrons inside or outside the licensed premises. "Chronic  
32 illegal activity" means (a) a pervasive pattern of activity that  
33 threatens the public health, safety, and welfare of the city, town,  
34 or county including, but not limited to, open container violations,  
35 assaults, disturbances, disorderly conduct, or other criminal law  
36 violations, or as documented in crime statistics, police reports,  
37 emergency medical response data, calls for service, field data, or  
38 similar records of a law enforcement agency for the city, town,  
39 county, or any other municipal corporation or any state agency; or  
40 (b) an unreasonably high number of citations for violations of RCW

1 46.61.502 associated with the applicant's or licensee's operation of  
2 any licensed premises as indicated by the reported statements given  
3 to law enforcement upon arrest.

4 (13)(a) Except as provided in (b) of this subsection, the board  
5 must issue a decision on an application for a liquor license,  
6 renewal, or endorsement under RCW 66.24.320 through 66.24.354,  
7 66.24.400 through 66.24.455, 66.24.650, or 66.24.655 within 45 days  
8 of receiving the application and documentation under this section and  
9 related rules, or the application is approved by default.

10 (b) The board may extend the time period allowed in (a) of this  
11 subsection by an additional 30 days if it:

12 (i) Determines good cause for the extension exists, which may  
13 include time for the board to review objections to a liquor license,  
14 renewal, or endorsement under this section; and

15 (ii) Issues a temporary license to the applicant during the  
16 extension.

17 (c) If the board fails to issue a decision on an application  
18 within the additional 30 days allowed in (b) of this subsection, the  
19 temporary license must be converted into a permanent license and is  
20 approved by default.

21 (14) Any notifications required under this section may be issued  
22 concurrently.

23 (15) A spirits, beer, and wine restaurant licensed under RCW  
24 66.24.400 or a beer and wine restaurant licensed under RCW 66.24.320  
25 shall notify the board at least seven days before the licensee  
26 initially opens the licensee's premises to the general public. In  
27 accordance with RCW 66.24.410, any requirement in the board's rules  
28 for a spirits, beer, and wine restaurant or a beer and wine  
29 restaurant to be open to the public for a minimum number of hours per  
30 day, or days per week, begins applying when the licensee opts to  
31 initially open to the general public rather than when the license is  
32 granted.

33 **Sec. 2.** RCW 66.24.410 and 2011 c 195 s 2 are each amended to  
34 read as follows:

35 (1) "Spirituous liquor," as used in RCW 66.24.400 to 66.24.450,  
36 inclusive, means "liquor" as defined in RCW 66.04.010, except "wine"  
37 and "beer" sold as such.

38 (2) "Restaurant" as used in RCW 66.24.400 to 66.24.450,  
39 inclusive, means an establishment provided with special space and

1 accommodations where, in consideration of payment, food, without  
2 lodgings, is habitually furnished to the public, not including drug  
3 stores and soda fountains: PROVIDED, That such establishments shall  
4 be approved by the board and that the board shall be satisfied that  
5 such establishment is maintained in a substantial manner as a place  
6 for preparing, cooking and serving of complete meals. Requirements  
7 for complete meals shall be determined by the board in rules adopted  
8 pursuant to chapter 34.05 RCW. Requirements for hours of operation or  
9 days of operation that may be provided in rules of the board for  
10 restaurants are subject to RCW 66.24.010(15).

11 (3) "Hotel," "clubs," "wine" and "beer" are used in RCW 66.24.400  
12 to 66.24.450, inclusive, with the meaning given in chapter 66.04  
13 RCW."

14 Correct the title.

EFFECT: (1) Requires restaurant liquor licensees to notify the  
Liquor and Cannabis Board (LCB) at least seven days before initially  
opening to the general public. Specifies that any requirement in the  
LCB's rules for a restaurant liquor licensee to be open to the public  
for a minimum number of hours per day, or days per week, begins  
applying when the licensee opts to initially open to the general  
public rather than when the license is granted.

(2) Makes technical changes to remove a proposed reference to a  
repealed section of the Revised Code of Washington and correct an  
internal reference.

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