

SENATE BILL REPORT

SHB 1430

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, March 28, 2005

Title: An act relating to sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.

Brief Description: Authorizing the sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Wood and Condotta).

Brief History: Passed House: 3/08/05, 98-0.

Committee Activity: Labor, Commerce, Research & Development: 3/21/05, 3/28/05 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Brown, Hewitt, Honeyford and Keiser.

Staff: Alison Mendiola (786-7483)

Background: Before an establishment may sell alcoholic beverages, it must obtain a liquor license from the state Liquor Control Board (Board). The type of license depends on the nature of the business and the types of alcohol to be sold. Among other types, the Board may issue licenses for: spirits, beer, and wine restaurants; beer and/or wine restaurants; taverns; grocery stores; and beer and/or wine specialty shops.

Kegs, or other containers larger than four gallons, of malt liquor may be sold by the following establishments:

- 1) off-premises beer and/or wine licensees: may be combined only with tavern and beer and/or wine restaurant licenses;
- 2) grocery store licensees: requires a special endorsement issued by the Board and containers must be smaller than five and one-half gallons; and
- 3) beer and/or wine specialty shop licensees: containers must be smaller than five and one-half gallons.

State law and Board rules impose registration requirements on establishments selling or leasing kegs or other large containers. Sellers must always require purchasers to show proof of identification. Additionally, the seller and purchaser must complete a form with information about the purchaser's identity and the address where the keg will be located or consumed. Copies of the registration must be provided to the purchaser, kept by the seller,

and posted on the container. Finally, the purchaser must affirm that he or she: (1) is at least 21 years old, (2) will not tamper with the registration form, and (3) will not provide alcohol to a minor.

Kegs of malt liquor may not be sold by businesses holding spirits, beer, and wine licenses.

Summary of Bill: Restaurants licensed to sell spirits, beer, and wine to the general public may obtain a license from the Liquor Control Board to sell malt liquor in kegs or other containers capable of holding four or more gallons. The kegs must meet the same registration requirements as kegs sold in establishments with beer and/or wine restaurant licenses, taverns, grocery stores, and beer and/or wine specialty shops.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Many taverns lost the ability to sell kegs when they converted to having a restaurant license. This bill would fix that by allowing restaurant licensees to sell kegs. Restaurant licensees still have to follow the same guidelines as everyone else.

Testimony Against: None.

Who Testified: PRO: Michael Transue, Washington Restaurant Association.