

HOUSE BILL REPORT

HB 2949

As Passed House:

February 15, 2008

Title: An act relating to designating nonappropriated expenses of the liquor control board paid from the liquor revolving fund.

Brief Description: Designating nonappropriated expenses of the liquor control board paid from the liquor revolving fund.

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

Brief History:

Committee Activity:

Commerce & Labor: 1/25/08 [DP];
Appropriations: 2/6/08, 2/8/08 [DP].

Floor Activity:

Passed House: 2/15/08, 94-0.

Brief Summary of Bill

- Changes certain administrative expenses of the Liquor Control Board related to state liquor stores and warehouses from appropriated to nonappropriated.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 27 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Haler, Assistant Ranking Minority Member; Anderson, Cody, Conway,

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Darneille, Ericks, Fromhold, Green, Haigh, Hinkle, Hunt, Kagi, Kessler, Kretz, Linville, McIntire, Morrell, Pettigrew, Priest, Ross, Schmick, Schual-Berke, Seaquist, Sullivan and Walsh.

Minority Report: Without recommendation. Signed by 1 member: Representative Alexander, Ranking Minority Member.

Staff: Wendy Polzin (786-7137).

Background:

All revenue received by the Liquor Control Board, including license fees, penalties, and other revenue, is deposited in the Liquor Revolving Fund. Certain administrative expenses are appropriated. These include the cost of establishing, leasing, maintaining, and operating state liquor stores and warehouses. Other expenses, including the costs of liquor and agency commissions for contract liquor stores, are nonappropriated. All expenditures and payment of obligations are subject to allotment requirements.

Summary of Bill:

The cost of operating, maintaining, relocating, and leasing state liquor stores and warehouses is changed from appropriated to nonappropriated expenses. The cost of opening additional state stores and warehouses continues to be appropriated.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect July 1, 2009.

Staff Summary of Public Testimony: (Commerce & Labor)

(In support) This bill shifts the expenses for day-to-day operations from appropriated to nonappropriated expenses. It will allow the Liquor Control Board to make timely and responsible business decisions. Funding for new full-time equivalents or new initiatives would still need to be appropriated.

(Opposed) None.

Staff Summary of Public Testimony: (Appropriations)

(In support) The Liquor Revolving Fund has two accounts, one is appropriated and one is non-appropriated. The bill would move approximately \$22.5 million a year in appropriated funds to non-appropriated funds. Costs that would be shifted include leases, janitorial expenses, and maintenance and repairs. The Liquor Control Board is a government entity but runs a business operation so is different than other agencies. This bill would allow flexibility for day to day operations.

(Opposed) None.

Persons Testifying: (Commerce & Labor) Pat Kohler, Liquor Control Board.

Persons Testifying: (Appropriations) (In support) Patricia Kohler and Rick Garza, Liquor Control Board.

Persons Signed In To Testify But Not Testifying: (Commerce & Labor) None.

Persons Signed In To Testify But Not Testifying: (Appropriations) None.