

SSB 5643 - S AMD 1362

By Senator Liiias

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

3 **"Sec. 1.** RCW 66.24.655 and 2013 c 237 s 1 are each amended to
4 read as follows:

5 (1) There is a theater license to sell spirits, beer, including
6 strong beer, or wine, or all, at retail, for consumption on theater
7 premises.

8 (a) A spirits, beer, and wine theater license may be issued
9 ((only)) to theaters ((that have no more than one hundred twenty
10 seats per screen and)) that are maintained in a substantial manner as
11 a place for preparing, cooking, and serving complete meals and
12 ((providing tabletop accommodations for in-theater dining)) meet the
13 requirements of (b) of this subsection. However, theaters with no
14 more than four screens that provide tabletop service are exempt from
15 the requirements of (b)(ii) and (iv) of this subsection. Requirements
16 for complete meals are the same as those adopted by the board in
17 rules pursuant to chapter 34.05 RCW for a spirits, beer, and wine
18 restaurant license authorized by RCW 66.24.400. The annual fee for a
19 spirits, beer, and wine theater license is two thousand dollars.

20 (b) A spirits, beer, and wine theater licensee must:

21 (i) Serve alcoholic beverages in distinctive glassware that is
22 visibly different from glassware containing nonalcoholic beverages.
23 Glassware for beer shall not exceed a standard twenty-four ounce
24 size, glassware for cocktails shall not exceed a sixteen ounce size,
25 and glassware for wine shall not exceed a ten ounce size. No drink
26 containing distilled spirits shall exceed three ounces of spirits and
27 must be one hundred proof or less;

28 (ii) Separate the bar and lounge area from the concession stand.
29 No alcoholic beverages may be sold from any temporary location on the
30 premises including, but not limited to, mobile bars, ice buckets, and
31 hawkers;

1 (iii) Not hold promotions that encourage intoxication or drinking
2 contests. Each customer must be physically present and age verified
3 at the time of order for any alcoholic beverage;

4 (iv) Not promote the sale of spirits, beer, or wine on the
5 theater premises through advertising such as posters or neon signs;
6 and

7 (v) Ensure that all managers and staff who interact with guests
8 complete a responsible service of alcohol course within thirty days
9 of hire. The course must teach the managers and staff to identify
10 minors and prevent them from purchasing alcoholic beverages, and
11 identify the signs of intoxication and prevent service to intoxicated
12 individuals.

13 (c)(i) All liquor sold under a spirits, beer, and wine theater
14 license, issued or renewed after the effective date of this section,
15 for theaters with five or more locations, must include an additional
16 twenty percent surcharge.

17 (ii) All liquor sold under a new spirits, beer, and wine theater
18 license, issued or renewed after the effective date of this section,
19 for theaters with no more than four locations, must include an
20 additional ten percent surcharge.

21 (iii) There is no surcharge for any spirits, beer, and wine
22 theater license, issued before the effective date of this section or
23 upon its renewal, for theaters with no more than four screens.

24 (iv) The first three million dollars collected from the surcharge
25 under this subsection and RCW 66.24.650(2) must be deposited each
26 fiscal year into the highway safety fund created in RCW 46.68.060 and
27 be dedicated to Washington state patrol driving under the influence
28 patrols and enforcement work, and any moneys collected thereafter
29 must be deposited into the liquor revolving fund.

30 (2) If the theater premises is to be frequented by minors, an
31 alcohol control plan must be submitted to the board at the time of
32 application. The alcohol control plan must be approved by the board
33 and be prominently posted on the premises, prior to minors being
34 allowed.

35 (3) For the purposes of this section:

36 (a) "Alcohol control plan" means a written, dated, and signed
37 plan submitted to the board by an applicant or licensee for the
38 entire theater premises, or rooms or areas therein, that shows where
39 and when alcohol is permitted, where and when minors are permitted,
40 and the control measures used to ensure that minors are not able to

1 obtain alcohol or be exposed to environments where drinking alcohol
2 predominates.

3 (b) "Theater" means a place of business where motion pictures or
4 other primarily nonparticipatory entertainment are shown.

5 (4) The board must adopt rules regarding alcohol control plans
6 and necessary control measures to ensure that minors are not able to
7 obtain alcohol or be exposed to areas where drinking alcohol
8 predominates. All alcohol control plans must include a requirement
9 that any person involved in the serving of spirits, beer, and/or wine
10 must have completed a mandatory alcohol server training program.

11 (5)(a) A licensee that is an entity that is exempt from taxation
12 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
13 code of 1986, as amended as of January 1, 2013, may enter into
14 arrangements with a spirits, beer, or wine manufacturer, importer, or
15 distributor for brand advertising at the theater or promotion of
16 events held at the theater. The financial arrangements providing for
17 the brand advertising or promotion of events may not be used as an
18 inducement to purchase the products of the manufacturer, importer, or
19 distributor entering into the arrangement and such arrangements may
20 not result in the exclusion of brands or products of other companies.

21 (b) The arrangements allowed under this subsection (5) are an
22 exception to arrangements prohibited under RCW 66.28.305. The board
23 must monitor the impacts of these arrangements. The board may conduct
24 audits of a licensee and the affiliated business to determine
25 compliance with this subsection (5). Audits may include, but are not
26 limited to: Product selection at the facility; purchase patterns of
27 the licensee; contracts with the spirits, beer, or wine manufacturer,
28 importer, or distributor; and the amount allocated or used for
29 spirits, beer, or wine advertising by the licensee, affiliated
30 business, manufacturer, importer, or distributor under the
31 arrangements.

32 (6) The maximum penalties prescribed by the board in WAC
33 314-29-020 relating to fines and suspensions are double for
34 violations involving minors or the failure to follow the alcohol
35 control plan with respect to theaters licensed under this section.

36 **Sec. 2.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to
37 read as follows:

38 (1) There is a theater license to sell beer, including strong
39 beer, or wine, or both, at retail, for consumption on theater

1 premises. The annual fee is four hundred dollars for a beer and wine
2 theater license.

3 (2)(a) All beer and wine sold under a beer and wine theater
4 license, issued or renewed after the effective date of this section,
5 for theaters with five or more locations, must include an additional
6 twenty percent surcharge.

7 (b) All liquor sold under a new beer and wine theater license,
8 issued or renewed after the effective date of this section, for
9 theaters with no more than four locations, must include an additional
10 ten percent surcharge.

11 (c) There is no surcharge for any beer and wine theater license,
12 issued before the effective date of this section or upon its renewal,
13 for theaters with no more than four screens.

14 (d) The first three million dollars collected from the surcharge
15 under this subsection and RCW 66.24.655(1)(c) must be deposited each
16 fiscal year into the highway safety fund created in RCW 46.68.060 and
17 be dedicated to Washington state patrol driving under the influence
18 patrols and enforcement work, and any moneys collected thereafter
19 must be deposited into the liquor revolving fund.

20 (3) If the theater premises is to be frequented by minors, an
21 alcohol control plan must be submitted to the board at the time of
22 application. The alcohol control plan must be approved by the board,
23 and be prominently posted on the premises, prior to minors being
24 allowed.

25 ~~((3))~~ (4) For the purposes of this section:

26 (a) "Alcohol control plan" means a written, dated, and signed
27 plan submitted to the board by an applicant or licensee for the
28 entire theater premises, or rooms or areas therein, that shows where
29 and when alcohol is permitted, where and when minors are permitted,
30 and the control measures used to ensure that minors are not able to
31 obtain alcohol or be exposed to environments where drinking alcohol
32 predominates.

33 (b) "Theater" means a place of business where motion pictures or
34 other primarily nonparticipatory entertainment are shown(~~(, and~~
35 ~~includes only theaters with up to four screens))~~).

36 ~~((4))~~ (5) The board must adopt rules regarding alcohol control
37 plans and necessary control measures to ensure that minors are not
38 able to obtain alcohol or be exposed to areas where drinking alcohol
39 predominates. All alcohol control plans must include a requirement

1 that any person involved in the serving of beer and/or wine must have
2 completed a mandatory alcohol server training program.

3 ~~((+5))~~ (6)(a) A licensee that is an entity that is exempt from
4 taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal
5 revenue code of 1986, as amended as of January 1, 2013, may enter
6 into arrangements with a beer or wine manufacturer, importer, or
7 distributor for brand advertising at the theater or promotion of
8 events held at the theater. The financial arrangements providing for
9 the brand advertising or promotion of events may not be used as an
10 inducement to purchase the products of the manufacturer, importer, or
11 distributor entering into the arrangement and such arrangements may
12 not result in the exclusion of brands or products of other companies.

13 (b) The arrangements allowed under this subsection ~~((+5))~~ (6)
14 are an exception to arrangements prohibited under RCW 66.28.305. The
15 board must monitor the impacts of these arrangements. The board may
16 conduct audits of a licensee and the affiliated business to determine
17 compliance with this subsection ~~((+5))~~ (6). Audits may include, but
18 are not limited to: Product selection at the facility; purchase
19 patterns of the licensee; contracts with the beer or wine
20 manufacturer, importer, or distributor; and the amount allocated or
21 used for wine or beer advertising by the licensee, affiliated
22 business, manufacturer, importer, or distributor under the
23 arrangements.

24 ~~((+6))~~ (7) The maximum penalties prescribed by the board in WAC
25 314-29-020 relating to fines and suspensions are double for
26 violations involving minors or the failure to follow the alcohol
27 control plan with respect to theaters licensed under this section."

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28 On page 1, line 1 of the title, after "licenses;" strike the
29 remainder of the title and insert "and amending RCW 66.24.655 and
30 66.24.650."

EFFECT: Creates a 20% surcharge on liquor sold under the theater
licenses, for theaters with five or more locations. Creates a 10%
surcharge on liquor sold under the new spirits, beer, and wine and
the beer and wine theater licenses, for theaters with no more than

four locations. Exempts all existing theater licensees from the new surcharge, if the theater has no more than four screens.

The first three million dollars collected from the surcharge on sales of liquor at theaters is transferred each fiscal year to the highway safety fund and is dedicated to Washington state patrol driving under the influence patrols and enforcement work.

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