

SENATE BILL REPORT

SHB 1034

As Reported by Senate Committee On:
Labor & Commerce, March 14, 2019

Title: An act relating to establishing a soju endorsement to beer and/or wine restaurant licenses and spirits, beer, and wine restaurant licenses.

Brief Description: Establishing a soju endorsement to certain restaurant licenses.

Sponsors: House Committee on Commerce & Gaming (originally sponsored by Representatives Ryu, Pellicciotti, Goodman, Kirby, Vick, Reeves and Bergquist).

Brief History: Passed House: 3/01/19, 89-0.

Committee Activity: Labor & Commerce: 3/14/19, 3/14/19 [DP].

Brief Summary of Bill

- Defines soju, a traditional Korean distilled alcoholic beverage.
- Requires the Liquor and Cannabis Board (LCB) to create a soju endorsement to the spirits, beer, and wine restaurant liquor license to allow soju to be served by the bottle.
- Requires the LCB to develop an additional training curriculum and for the endorsement holders to ensure the servers to be trained in the curriculum.
- Sets the fee for the soju endorsement at \$50.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; King, Ranking Member; Saldaña, Walsh and Wellman.

Staff: Richard Rodger (786-7461)

Background: The LCB issues various types of commercial liquor licenses, including those for beer and/or wine specialty shops, wineries, microbreweries, domestic breweries, restaurants, and nightclubs.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

There are two licenses for retail sales of liquor at restaurants:

- a beer and/or wine restaurant license which allows for the sale of beer, strong beer, or wine for consumption on the premises; and
- a spirits, beer, and wine restaurant license which allows for the sale of spirits by the individual glass, beer, and wine for consumption on the premises, including mixed drinks and cocktails compounded or mixed on the premises.

Restaurants are defined as establishments with a special space and accommodations where food is prepared, cooked, and served to the public. Additionally, a spirits, beer, and wine restaurant licensee must serve complete meals, as defined in LCB rules.

The LCB is authorized in certain circumstances to impose conditions or restrictions on a license, or include special endorsements authorizing the sale of specified alcoholic beverages subject to specified conditions. All conditions, restrictions, and endorsements issued by the LCB must be listed on the face of the license.

Alcoholic beverages are, in part, defined by their alcohol by volume content (ABV). Alcoholic beverages exceeding 24 percent ABV are considered spirits whereas wine must contain not more than 24 percent ABV.

Summary of Bill: "Soju" is defined as a traditional Korean distilled alcoholic beverage, produced using authentic Korean recipes and production methods, and derived from agricultural products, that contains not more than 24 percent of alcohol by volume.

The LCB must create a soju endorsement to the spirits, beer, and wine restaurant license that allows the licensees to serve soju for on-premises consumption by the bottle at tables with a minimum of two patrons twenty-one years of age or older. The fee for the endorsement is set at \$50.

The holder of a soju endorsement may serve soju in bottles that are 375 milliliters or less. The empty bottles of soju must remain on the table until the patron has left the premises. The patron may remove from the premises a recapped bottle of soju, in its original container, with any unused portion of soju that was purchased for consumption with a meal.

The LCB must develop an additional responsible sale and service of soju training curriculum. Soju endorsement holders must ensure their employees are trained in the curriculum. The curriculum must be available in both Korean and English languages.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: The bill will allow for the Korean cultural practices associated with the drinking of soju. The cultural traditions include the method of

-serving that shows respect and the practices that allow for socializing and displays of friendship. The current state regulations prohibit the traditional method of serving soju by the bottle. The bill was developed with the input of the Liquor and Cannabis Board. It enhances public safety by requiring the bottles to remain on the table and includes specific training with the new curriculum. It also allows the patron to take unfinished bottles of soju home with them. This legislation is consistent with bills passed in New York, Virginia, and California.

Persons Testifying: PRO: Representative Cindy Ryu, Prime Sponsor; Chris Marr, Jinro America; Dan Cho, CoHo Imports; Kyumi Parker, Song Song Chicken; Zachary Lindahl, Washington Hospitality Association.

Persons Signed In To Testify But Not Testifying: No one.