SENATE BILL REPORT SB 5445

As of January 29, 2019

Title: An act relating to the temporary sale of liquor at special events.

Brief Description: Concerning the temporary sale of liquor at special events.

Sponsors: Senators Cleveland and Rivers.

Brief History:

Committee Activity: Labor & Commerce: 1/31/19.

Brief Summary of Bill

- Creates a special event promoter liquor license to sell liquor for off- and on-premises consumption at a designated special event.
- Creates special event vendor licenses for breweries, microbreweries, distilleries, craft distilleries, and domestic wineries to sell their own products at designated special events.

SENATE COMMITTEE ON LABOR & COMMERCE

Staff: Susan Jones (786-7404)

Background: The Liquor and Cannabis Board (LCB) issues a variety of retail licenses for selling liquor for both off and on-premises consumption. Examples of retail licenses include:

- grocery store licenses;
- beer and/or wine specialty shop licenses;
- restaurant and tavern licenses; and
- spirits retailer licenses.

In certain circumstances, LCB may impose conditions or restrictions on a license, or include special endorsements.

There are several types of licenses and permits issued by LCB that allow for consuming alcohol at special events, including special occasion licenses, special event permits, and banquet permits.

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.

<u>Special Occasion License.</u> A not-for profit organization may obtain a special occasion liquor license to sell spirits, beer, and wine by the individual glass to be consumed on-premises. This license permits the licensee to serve liquor at a specified event, on a specified date and place. The fee for this license is \$60 per day and the organization is limited to sales on no more than 12 days per year. The sale, service, and consumption of alcohol is limited to a designated area only. With LCB permission, a licensee may serve spirits, beer, or wine in original, unopened containers for off-premises consumption.

<u>Special Event Permits.</u> The LCB issues a variety of special permits for serving and selling liquor. An example of a special permit is to allow a bed and breakfast facility to serve beer and wine without charge to overnight guests for on-premises consumption. Unless a fee is specified in statute, the fees for permits are generally established by the LCB.

<u>Banquet Permit.</u> The LCB may issue a special permit to consume liquor at events such as banquets. The permit allows for the service and consumption of alcohol at private, invitation-only gatherings held in a public place or business. The LCB does not issue banquet permits to retail licensees.

Summary of Bill: <u>Special Event Promoter's License.</u> A promoter special event license (promoter's license) is created to sell spirits, beer, wine, and cider by the individual serving for on-premises consumption at a special event. Holders of a promoter's license may also:

- sell wine, malt beverages, and cider in factory-sealed containers for off-premises consumption; and
- sell wine or beer growlers for off-premises consumption.

Applicants for a promoter's license must submit a management plan to the LCB detailing, at a minimum, how minors will be prevented from accessing alcohol. Every person who serves alcohol at a special event must have a Class 12 alcohol servers permit.

The cost of a promoter's license is \$150. All alcohol sold at the special event must be provided by a holder of a special event vendor license.

<u>Special Event Vendor's License.</u> Several temporary special event vendor's licenses (vendor's licenses) are created for distilleries, craft distilleries, breweries, microbreweries, and domestic wineries. At a special event licensed under the promoter's license, a holder of a vendor's license may:

- sell alcohol of its own production by the individual serving for on-premises consumption;
- sell alcohol of its own production in sealed containers for off-premises consumption; and
- sell growlers of beer, strong beer, wine, or cider of its own production for offpremises consumption.

A vendor's license may not be issued for more than five days. Every person who participates in any manner in the service of alcohol must have a Class 12 alcohol servers permit. Applicants for the vendor's license must demonstrate adequate liquor liability insurance. The cost of a vendor's license is \$15 per day. Appropriation: None.

Fiscal Note: Requested on January 24, 2019.

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

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