

HOUSE BILL REPORT

HB 2843

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to liquor licenses.

Brief Description: Modifying provisions concerning liquor licenses.

Sponsor(s): Representatives G. Cole, Heavey and Fuhrman; by request of Liquor Control Board.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 4, 1992, DPS.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

Staff: Jim Kelley (786-7166).

Background: A retail liquor license of any kind may only be issued to a person who has resided in Washington for at least one month prior to application.

In order to obtain a license, individual beer and wine wholesalers are required to be residents of the state, and corporations are required to have their principal place of business in this state.

Holders of class J special occasion wine licenses may sell limited quantities of wine for consumption off the premises if they have paid the additional \$10 fee. Class G special occasion beer license holders are not allowed to sell beer for consumption off the premises.

Civic centers with facilities for sports, entertainment, or conventions may obtain a class H liquor license. However, they must provide food service to the same extent as any other class H licensee. Often this requires them to offer

food service even when there is not an event at the civic center.

Summary of Substitute Bill: The requirement that a retail license may not be issued to a person who has not resided in the state for at least one month is stricken.

A retail license may not be issued to a corporation having any officer or director who was previously an officer or director of a defunct corporation that held a liquor license and discontinued business leaving unpaid taxes owing to the state, until the back taxes are paid in full.

The residency requirement for a beer or wine wholesaler's license is eliminated. However, a beer or wine importer's license may not be issued to a person, partnership, or corporation, until they have established a principal office in the state and have designated an agent for the service of process.

A holder of a class G special occasion license may sell, at no more than two events per year, beer or malt liquor for consumption off the premises for a fee of \$10. Special occasion licensees holding a class G beer license may purchase beer from a beer retailer or a beer wholesaler, and class J wine license holders may purchase wine from a wine retailer or a wine wholesaler. Beer manufacturers, importers, and wholesalers may advertise, pour, or dispense beer during judging or tasting events at which they are participants.

A class H licensed civic center must provide food service only if an event is being conducted at the facility.

Substitute Bill Compared to Original Bill: The substitute bill clarifies from whom beer licensees may purchase beer and from whom special occasion wine licensees may purchase wine. The substitute also allows beer manufacturers, importers, and wholesalers to advertise, pour, or dispense beer during judging or tasting events at which they are participants.

Fiscal Note: Available.

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

Testimony For: This bill makes administrative and technical changes. It should help the state collect some taxes.

Testimony Against: None.

Witnesses: Carter Mitchell, Liquor Control Board (in favor).