

SSB 5982 - S AMD 466

By Senators Prentice, Zarelli, Doumit, Hewitt

WITHDRAWN 06/10/2003

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

3 "NEW SECTION. **Sec. 1.** The legislature intends that the liquor
4 control board shall generate additional revenue to state and local
5 governments and be operated in a manner that improves efficiency and
6 customer service. The legislature further intends that the liquor
7 control board implement a retail business plan to support increased
8 revenue by expanding store operations to include Sundays, and devising
9 and implementing additional strategies to maximize revenue-generating
10 opportunities. The legislature further intends to evaluate the
11 increased revenue before dedicating a portion of that revenue to
12 provide ongoing financial support for rural counties and to meet state
13 expectations.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 66.08 RCW
15 to read as follows:

16 The board shall devise a retail business plan, or amend an existing
17 retail business plan, to implement strategies to improve the efficiency
18 of retail sales operations and maximize revenue-generating
19 opportunities. Strategies to be implemented shall include, but are not
20 limited to:

21 (1) Expanding store operations to include Sunday sales in selected
22 liquor stores. Sunday sales are optional for liquor vendors operating
23 agency stores;

24 (2) Implementing a plan of in-store liquor merchandising, including
25 point-of-sale advertising, and product specific point-of-sale
26 promotional displays and carousels, including displays designed and
27 provided by vendors; and

28 (3) Implementing a plan for in-store liquor merchandising of
29 brands.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 66.08 RCW
2 to read as follows:

3 By August 1, 2003, the board shall expand operations in at least
4 twenty-five state-operated retail stores to include Sundays. The board
5 shall select the stores that are expected to gross the most revenues on
6 Sunday by considering factors including, but not limited to, population
7 density, proximity to shopping centers, and proximity to other
8 businesses that are open on Sunday. The selected stores shall be open
9 for retail business a minimum of five hours on Sunday. The board shall
10 track gross sales and expenses of the selected stores and compare them
11 to previous years' sales and projected sales and expenses before
12 opening on Sunday. The board shall present this information to the
13 appropriate policy and fiscal committees of the legislature by January
14 31, 2004.

15 **Sec. 4.** RCW 66.08.026 and 2001 c 313 s 1 are each amended to read
16 as follows:

17 All administrative expenses of the board incurred on and after
18 April 1, 1963, shall be appropriated and paid from the liquor revolving
19 fund. These administrative expenses shall include, but not be limited
20 to: The salaries and expenses of the board and its employees, the cost
21 of establishing, leasing, maintaining, and operating state liquor
22 stores and warehouses, legal services, pilot projects, annual or other
23 audits, and other general costs of conducting the business of the
24 board, and the costs of supplying, installing, and maintaining
25 equipment used in state liquor stores and agency liquor vendor stores
26 for the purchase of liquor (~~(by nonlicensees)~~) using debit or credit
27 cards. The administrative expenses shall not, however, be deemed to
28 include costs of liquor and lottery tickets purchased, the cost of
29 transportation and delivery to the point of distribution, other costs
30 pertaining to the acquisition and receipt of liquor and lottery
31 tickets, packaging and repackaging of liquor, agency commissions for
32 agency liquor vendor stores, transaction fees associated with credit or
33 debit card purchases for liquor in state liquor stores and in the
34 stores of agency liquor vendors pursuant to RCW 66.16.040 and
35 66.16.041, sales tax, and those amounts distributed pursuant to RCW
36 66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency

1 commissions for agency liquor vendor stores shall be established by the
2 liquor control board after consultation with and approval by the
3 director of the office of financial management. All expenditures and
4 payment of obligations authorized by this section are subject to the
5 allotment requirements of chapter 43.88 RCW.

6 **Sec. 5.** RCW 66.08.060 and 1933 ex.s. c 62 s 43 are each amended to
7 read as follows:

8 (1) The board shall not advertise liquor in any form or through any
9 medium whatsoever.

10 (2) In-store liquor merchandising is not advertising for the
11 purposes of this section.

12 (3) The board shall have power to adopt any and all reasonable
13 ((regulations)) rules as to the kind, character, and location of
14 advertising of liquor.

15 **Sec. 6.** RCW 66.16.041 and 1998 c 265 s 3 are each amended to read
16 as follows:

17 (1) The state liquor control board shall accept bank credit card
18 and debit cards ((from nonlicensees)) for purchases in state liquor
19 stores, under such rules as the board may adopt. The board shall
20 authorize liquor vendors appointed under RCW 66.08.050 to accept bank
21 credit cards and debit cards for liquor purchases under this title,
22 under such rules as the board may adopt.

23 (2) If a liquor vendor operating an agency store chooses to use
24 credit or debit cards for liquor purchases ((by nonlicensees)), the
25 board shall provide equipment and installation and maintenance of the
26 equipment necessary to implement the use of credit and debit cards.
27 Any equipment provided by the board to an agency liquor vendor store
28 for this purpose may be used only for the purchase of liquor.

29 (3) If the revenues and expenditures associated with implementing
30 the use of credit and debit cards for the purchase of alcohol ((by
31 nonlicensees)) from state liquor stores and agency stores operated by
32 liquor vendors results in a reduction of the liquor revolving fund
33 balance for fiscal year 1999 and the 1999-01 biennium, the board shall
34 consider increasing the price of alcohol products to offset the
35 reduction.

1 (~~(4) The board shall provide a report evaluating the~~
2 ~~implementation of this section, including revenue and expenditures, to~~
3 ~~the appropriate committees of the legislature by December 1, 1998.))~~

4 NEW SECTION. **Sec. 7.** The sum of one million one hundred forty-two
5 thousand five hundred dollars, or as much thereof as may be necessary,
6 is appropriated for the biennium ending June 30, 2005, from the liquor
7 revolving account to the liquor control board for the purposes of
8 implementing this act.

9 NEW SECTION. **Sec. 8.** RCW 66.16.080 (Sunday closing) and 1988 c
10 101 s 1 & 1933 ex.s. c 62 s 11 are each repealed.

11 NEW SECTION. **Sec. 9.** If any provision of this act or its
12 application to any person or circumstance is held invalid, the
13 remainder of the act or the application of the provision to other
14 persons or circumstances is not affected.

15 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
16 preservation of the public peace, health, or safety, or support of the
17 state government and its existing public institutions, and takes effect
18 July 1, 2003."

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19 On page 1, line 2 of the title, after "plan;" strike the remainder
20 of the title and insert "amending RCW 66.08.026, 66.08.060, and
21 66.16.041; adding new sections to chapter 66.08 RCW; creating a new
22 section; repealing RCW 66.16.080; making an appropriation; providing an
23 effective date; and declaring an emergency."

EFFECT: The striking amendment:

- (1) Repeals the prohibition on Sunday liquor sales;
- (2) Requires the Liquor Control Board to open twenty-five liquor stores on Sundays;
- (3) Allows, but does not require, contract liquor stores to be open on Sundays;
- (4) Requires the Board to implement a retail services business plan, including in-store liquor merchandising;
- (5) Allows licensees to pay for liquor using debit and credit cards;
- (6) Makes an appropriation to the Board to implement Sunday sales and in-store merchandising.

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