

# HOUSE BILL REPORT

## EHB 1395

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### As Passed House:

March 5, 2003

**Title:** An act relating to the catering of alcoholic beverages at special events by nonprofit organizations.

**Brief Description:** Concerning the catering of alcoholic beverages at events by nonprofit organizations.

**Sponsors:** By Representatives Sullivan, Bailey, Wood, Chandler and Pflug.

### Brief History:

#### Committee Activity:

Commerce & Labor: 2/6/03, 2/13/03 [DPA].

#### Floor Activity:

Passed House: 3/5/03, 97-0.

### Brief Summary of Engrossed Bill

- Allows holders of a restaurant liquor license with a catering endorsement to sell alcohol at an event open to the public if the event is sponsored by a nonprofit organization.

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## HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Chandler, Ranking Minority Member; Condotta, Assistant Ranking Minority Member; Crouse, Holmquist, Hudgins and Kenney.

**Staff:** Matt Cooper (786-7106).

### Background:

The Liquor Control Board licenses and controls the distribution of alcohol in Washington. Licenses are required when serving alcohol to the public.

Restaurants may apply for licenses to serve beer, wine, and spirits for on-premises consumption. These licensees may obtain a catering endorsement to serve alcohol away

from their permanent places of business. A catering endorsement allows a licensee to serve and sell alcohol at "special occasions." A special occasion is a single event sponsored by a group or individual.

Under a catering endorsement, licensees may not serve alcohol at special occasions open to the public. The licensee may serve and sell alcohol at special occasions attended only by members and guests of nonprofit organizations.

If attendance at a special occasion is by invitation only, the event need not be sponsored by a nonprofit organization.

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**Summary of Engrossed Bill:**

Restaurant liquor license holders with a catering endorsement may sell alcohol for on-premises consumption at events open to the public as long as the event is hosted by a nonprofit organization.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** This will return the law to the way it was in 1997. Many caterers didn't know that the law had changed and had continued to do business in the same way.

After an Attorney General opinion, the Liquor Control Board informed caterers that they needed to get the law changed or stop serving alcohol at events open to the public. If this law is not changed, caterers will be adversely affected and nonprofit organizations will have a difficult time conducting fund-raising events.

This bill will allow nonprofit organizations to conduct fund-raising events the way they always have. It will allow nonprofit organizations to concentrate on their projects and not on serving alcohol at their own events. Nonprofit organizations will be able to leave catering to the caterers.

**Testimony Against:** There are already too many liquor licenses in the state. Allowing licensees to serve alcohol at events open to the public would make alcohol more available and create more problems.

**Testified:** (In support) Representative Sullivan, prime sponsor; Rick Garza, Liquor Control Board; Rebecca Bogard, Washington Sports and Entertainment Facilities Operators; Jean Leonard, Washington Wine Institute; and Mike Transue, Washington Restaurant Association.

(Opposed) Michael Kepcha.