
HOUSE BILL 2131

State of Washington 58th Legislature 2003 Regular Session

By Representatives Grant, Chandler, Upthegrove, Clements, Cooper, Armstrong and Morris

Read first time 02/26/2003. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to retail sales by the liquor control board fully
2 implementing a retail business plan; amending RCW 66.08.030 and
3 66.08.060; adding new sections to chapter 66.08 RCW; creating a new
4 section; and repealing RCW 66.16.080.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature intends that the liquor
7 control board shall generate additional revenues to increase
8 distributions to state and local governments from the liquor revolving
9 fund. Pursuant to RCW 66.08.190, fifty percent of the funds are
10 distributed to local governments and fifty percent are distributed to
11 the state general fund. The legislature further intends that the
12 liquor control board optimize retail outlet resources to serve the
13 public through implementing a retail business plan by expanding hours
14 of sales to include Sundays, and devising and implementing additional
15 strategies and programs for retail sales by the board to maximize
16 revenue-generating opportunities.

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

1 The board shall immediately devise a retail business plan to
2 implement strategies to improve retail sales operations and maximize
3 revenue-generating opportunities. Strategies to be implemented shall
4 include but are not limited to:

5 (1) Expanding hours of retail sales operations by including Sunday
6 sales in liquor stores according to section 3 of this act;

7 (2) Implementing a plan of in-store merchandising, including
8 point-of-sale advertising, and product specific point-of-sale
9 promotional displays and carousels, including displays designed and
10 provided by vendors;

11 (3) Implementing a plan for in-store merchandising of brands and
12 gift packs; and

13 (4) Sales of liquor related items and products.

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

16 (1) By November 1, 2003, the board shall implement a plan to open
17 for business on Sunday at least fifty state-operated retail stores that
18 had gross sales of two million dollars or more during calendar year
19 2002 and will implement the board's retail business plan.

20 (2) By July 1, 2004, the board shall implement a plan to open for
21 business on Sunday at least fifty additional state-operated retail
22 stores that had gross sales of two million dollars or more during
23 calendar year 2002 and will implement the board's retail business plan.

24 (3) By November 1, 2004, the board shall implement a plan to open
25 for business on Sunday the remainder of those state-operated stores
26 that will best implement the board's retail business plan.

27 (4) The board shall allow all agency retail stores to open for
28 business on Sunday.

29 (5) The board shall not raise retail prices pursuant to RCW
30 66.16.010 beyond the surcharges and percentage markup in effect on
31 January 1, 2003, until the board has implemented subsections (1) and
32 (2) of this section.

33 **Sec. 4.** RCW 66.08.030 and 2002 c 119 s 2 are each amended to read
34 as follows:

35 (1) For the purpose of carrying into effect the provisions of this
36 title according to their true intent or of supplying any deficiency

1 therein, the board may make such (~~regulations~~) rules not inconsistent
2 with the spirit of this title as are deemed necessary or advisable.
3 All (~~regulations so made~~) rules shall be a public record and shall be
4 filed in the office of the code reviser, and (~~thereupon~~) shall have
5 the same force and effect as if incorporated in this title. (~~Such~~
6 ~~regulations~~) These rules, together with a copy of this title, shall be
7 published in pamphlets and shall be distributed as directed by the
8 board.

9 (2) Without (~~thereby~~) limiting the generality of the provisions
10 contained in subsection (1) of this section, it is declared that the
11 power of the board to make (~~regulations~~) rules in the manner set out
12 in that subsection shall extend to:

13 (a) Regulating the equipment and management of stores and
14 warehouses in which state liquor is sold or kept, and prescribing the
15 books and records to be kept therein and the reports to be made thereon
16 to the board;

17 (b) Prescribing the duties of the employees of the board, and
18 regulating their conduct in the discharge of their duties;

19 (c) Governing the purchase of liquor by the state and the
20 furnishing of liquor to stores established under this title;

21 (d) Determining the classes, varieties, and brands of liquor to be
22 kept for sale at any store;

23 (e) Prescribing(~~(, subject to RCW 66.16.080,)~~) the hours during
24 which the state liquor stores shall be kept open for the sale of
25 liquor;

26 (f) Providing for the issuing and distributing of price lists
27 showing the price to be paid by purchasers for each variety of liquor
28 kept for sale under this title;

29 (g) Prescribing an official seal and official labels and stamps and
30 determining the manner in which they shall be attached to every package
31 of liquor sold or sealed under this title, including the prescribing of
32 different official seals or different official labels for different
33 classes of liquor;

34 (h) Providing for the payment by the board in whole or in part of
35 the carrying charges on liquor shipped by freight or express;

36 (i) Prescribing forms to be used for purposes of this title or the
37 (~~regulations~~) rules, and the terms and conditions to be contained in
38 permits and licenses issued under this title, and the qualifications

1 for receiving a permit or license issued under this title, including a
2 criminal history record information check. The board may submit the
3 criminal history record information check to the Washington state
4 patrol and to the identification division of the federal bureau of
5 investigation in order that these agencies may search their records for
6 prior arrests and convictions of the individual or individuals who
7 filled out the forms. The board shall require fingerprinting of any
8 applicant whose criminal history record information check is submitted
9 to the federal bureau of investigation;

10 (j) Prescribing the fees payable in respect of permits and licenses
11 issued under this title for which no fees are prescribed in this title,
12 and prescribing the fees for anything done or permitted to be done
13 under the (~~regulations~~) rules;

14 (k) Prescribing the kinds and quantities of liquor which may be
15 kept on hand by the holder of a special permit for the purposes named
16 in the permit, regulating the manner in which the same shall be kept
17 and disposed of, and providing for the inspection of the same at any
18 time at the instance of the board;

19 (l) Regulating the sale of liquor kept by the holders of licenses
20 which entitle the holder to purchase and keep liquor for sale;

21 (m) Prescribing the records of purchases or sales of liquor kept by
22 the holders of licenses, and the reports to be made thereon to the
23 board, and providing for inspection of the records so kept;

24 (n) Prescribing the kinds and quantities of liquor for which a
25 prescription may be given, and the number of prescriptions which may be
26 given to the same patient within a stated period;

27 (o) Prescribing the manner of giving and serving notices required
28 by this title or the (~~regulations~~) rules, where not otherwise
29 provided for in this title;

30 (p) Regulating premises in which liquor is kept for export from the
31 state, or from which liquor is exported, prescribing the books and
32 records to be kept therein and the reports to be made thereon to the
33 board, and providing for the inspection of the premises and the books,
34 records and the liquor so kept;

35 (q) Prescribing the conditions and qualifications requisite for the
36 obtaining of club licenses and the books and records to be kept and the
37 returns to be made by clubs, prescribing the manner of licensing clubs

1 in any municipality or other locality, and providing for the inspection
2 of clubs;

3 (r) Prescribing the conditions, accommodations, and qualifications
4 requisite for the obtaining of licenses to sell beer and wines, and
5 regulating the sale of beer and wines (~~(thereunder)~~);

6 (s) Specifying and regulating the time and periods when, and the
7 manner, methods, and means by which manufacturers shall deliver liquor
8 within the state; and the time and periods when, and the manner,
9 methods, and means by which liquor may lawfully be conveyed or carried
10 within the state;

11 (t) Providing for the making of returns by brewers of their sales
12 of beer shipped within the state, or from the state, showing the gross
13 amount of (~~(such)~~) the sales and providing for the inspection of
14 brewers' books and records, and for the checking of the accuracy of any
15 (~~(such)~~) returns;

16 (u) Providing for the making of returns by the wholesalers of beer
17 whose breweries are located beyond the boundaries of the state;

18 (v) Providing for the making of returns by any other liquor
19 manufacturers, showing the gross amount of liquor produced or
20 purchased, the amount sold within and exported from the state, and to
21 whom so sold or exported, and providing for the inspection of the
22 premises of any (~~(such)~~) liquor manufacturers, their books and records,
23 and for the checking of any (~~(such)~~) return;

24 (w) Providing for the giving of fidelity bonds by any or all of the
25 employees of the board(~~(:—PROVIDED, That)~~). However, the premiums
26 (~~(therefor)~~) shall be paid by the board;

27 (x) Providing for the shipment by mail or common carrier of liquor
28 to any person holding a permit and residing in any unit which has, by
29 election pursuant to this title, prohibited the sale of liquor therein;

30 (y) Prescribing methods of manufacture, conditions of sanitation,
31 standards of ingredients, quality and identity of alcoholic beverages
32 manufactured, sold, bottled, or handled by licensees and the board; and
33 conducting from time to time, in the interest of the public health and
34 general welfare, scientific studies and research relating to alcoholic
35 beverages and the use and effect thereof;

36 (z) Seizing, confiscating, and destroying all alcoholic beverages
37 manufactured, sold, or offered for sale within this state which do not
38 conform in all respects to the standards prescribed by this title or

1 the ((regulations)) rules of the board(~~(:—PROVIDED, Nothing herein~~
2 ~~contained shall be construed as authorizing))~~). The liquor board ((to))
3 may not prescribe, alter, limit, or in any way change the present law
4 as to the quantity or percentage of alcohol used in the manufacturing
5 of wine or other alcoholic beverages.

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) The following is not considered advertising for the purposes of
11 this section:

12 (a) Placement of signs that are visible through the window of
13 retail stores;

14 (b) Use of media designed to be informational regarding locations
15 or hours of operation of retail outlets; and

16 (c) In-store merchandising, including point-of-sale advertising,
17 and product specific point-of-sale promotional displays and carousels,
18 including displays designed and provided by vendors.

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

22 NEW SECTION. **Sec. 6.** RCW 66.16.080 (Sunday closing) and 1988 c
23 101 s 1 & 1933 ex.s. c 62 s 11 are each repealed.

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