
SENATE BILL 5982

State of Washington 58th Legislature 2003 Regular Session

By Senators Prentice, Hewitt, Doumit, Horn and Reardon

Read first time 02/26/2003. Referred to Committee on Ways & Means.

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

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

18 The board shall immediately devise a retail business plan to

1 implement strategies to improve retail sales operations and maximize
2 revenue-generating opportunities. Strategies to be implemented shall
3 include but are not limited to:

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

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

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

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

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

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

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

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

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

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

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

34 (1) For the purpose of carrying into effect the provisions of this
35 title according to their true intent or of supplying any deficiency
36 therein, the board may make such (~~regulations~~) rules not inconsistent

1 with the spirit of this title as are deemed necessary or advisable.
2 All (~~regulations so made~~) rules shall be a public record and shall be
3 filed in the office of the code reviser, and (~~thereupon~~) shall have
4 the same force and effect as if incorporated in this title. (~~Such~~
5 ~~regulations~~) These rules, together with a copy of this title, shall be
6 published in pamphlets and shall be distributed as directed by the
7 board.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

34 (q) Prescribing the conditions and qualifications requisite for the
35 obtaining of club licenses and the books and records to be kept and the
36 returns to be made by clubs, prescribing the manner of licensing clubs
37 in any municipality or other locality, and providing for the inspection
38 of clubs;

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

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

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

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

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

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

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

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

34 (z) Seizing, confiscating, and destroying all alcoholic beverages
35 manufactured, sold, or offered for sale within this state which do not
36 conform in all respects to the standards prescribed by this title or
37 the (~~(regulations)~~) rules of the board(~~(:—PROVIDED, Nothing herein~~
38 ~~contained shall be construed as authorizing)~~). The liquor board (~~(to)~~)

1 may not prescribe, alter, limit, or in any way change the present law
2 as to the quantity or percentage of alcohol used in the manufacturing
3 of wine or other alcoholic beverages.

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

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

8 (2) The following is not considered advertising for the purposes of
9 this section:

10 (a) Placement of signs that are visible through the window of
11 retail stores;

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

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

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

20 NEW SECTION. **Sec. 6.** RCW 66.16.080 (Sunday closing) and 1988 c
21 101 s 1 & 1933 ex.s. c 62 s 11 are each repealed.

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