

SENATE BILL REPORT

SHB 1975

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, March 19, 2007

Title: An act relating to spirits, beer, and wine restaurant licenses.

Brief Description: Addressing spirits, beer, and wine restaurant licenses.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Springer, Condotta and Wood).

Brief History: Passed House: 3/10/07, 93-0.

Committee Activity: Labor, Commerce, Research & Development: 3/19/07 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Clements, Ranking Minority Member; Franklin, Hewitt, Holmquist and Prentice.

Staff: Jennifer Strus (786-7316)

Background: The holder of a spirits, beer, and wine restaurant license may obtain a caterer's endorsement. This endorsement allows the license holder to remove from his or her liquor stocks only those types of liquor that are to be served at an event for which the caterer's endorsement was issued. Current law does not allow the license holder to store the liquor to be served at the event at another license holder's premises.

Summary of Substitute Bill: A restaurant with a catering endorsement as part of a spirits, beer, and wine license or a beer and/or wine license issued by the Liquor Control Board (LCB) may store liquor on the premises of another not licensed by the LCB. There must be a written agreement between the restaurant and the other party to provide for ongoing catering services, the agreement must not contain any exclusivity clauses regarding the liquor to be served, and the agreement must be filed with the LCB. A restaurant that does catering may also store liquor on other premises operated by the restaurant, which it owns or controls by a leasehold interest, and may store liquor at wineries and on passenger vessels for which it does catering. The LCB must establish conditions for the storage of liquor.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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

Staff Summary of Public Testimony: PRO: Catering has become a major part of business for many restaurants; so big that some restaurants have opened another premises. Under the current law, restaurants that provide catering must haul the liquor to the premises where the event is to occur and, after the event has concluded, haul the liquor back to the restaurant. This is pretty onerous to the restaurant owners, particularly if the event lasts more than one day. This is the reason for the bill.

Persons Testifying: PRO: Representative Springer, prime sponsor; Michael Transue, Washington Restaurant Association.