
SENATE BILL 5916

State of Washington

62nd Legislature

2011 Regular Session

By Senator Murray

Read first time 04/05/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to the sale of liquor-related products in state
2 liquor stores; and amending RCW 66.08.026, 66.08.165, and 66.16.010.

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

4 **Sec. 1.** RCW 66.08.026 and 2008 c 67 s 1 are each amended to read
5 as follows:

6 Administrative expenses of the board shall be appropriated and paid
7 from the liquor revolving fund. These administrative expenses
8 (~~shall~~) include, but are not (~~be~~) limited to: The salaries and
9 expenses of the board and its employees, the cost of opening additional
10 state liquor stores and warehouses, legal services, pilot projects,
11 annual or other audits, and other general costs of conducting the
12 business of the board. The administrative expenses (~~shall~~) do not
13 include costs of liquor, liquor-related products, and lottery tickets
14 purchased, the cost of transportation and delivery to the point of
15 distribution, the cost of operating, maintaining, relocating, and
16 leasing state liquor stores and warehouses, other costs pertaining to
17 the acquisition and receipt of liquor and lottery tickets, agency
18 commissions for contract liquor stores, transaction fees associated
19 with credit or debit card purchases for liquor in state liquor stores

1 and in contract liquor stores pursuant to RCW 66.16.040 and 66.16.041,
2 sales tax, and those amounts distributed pursuant to RCW 66.08.180,
3 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency commissions for
4 contract liquor stores shall be established by the liquor control board
5 after consultation with and approval by the director of the office of
6 financial management. All expenditures and payment of obligations
7 authorized by this section are subject to the allotment requirements of
8 chapter 43.88 RCW.

9 **Sec. 2.** RCW 66.08.165 and 2005 c 231 s 1 are each amended to read
10 as follows:

11 The board shall, consistent with, and in addition to, the existing
12 retail business plan, implement strategies to improve the efficiency of
13 retail sales operations and maximize revenue-generating opportunities.
14 Strategies to be implemented (~~shall~~) include, but are not limited to:

15 (1) Expanding store operations to include Sunday sales in selected
16 liquor stores. Sunday sales are optional for liquor vendors operating
17 agency stores;

18 (2) Implementing a plan of in-store liquor merchandising, including
19 point-of-sale advertising, and product specific point-of-sale
20 promotional displays and carousels, including displays designed and
21 provided by vendors; and

22 (3) Implementing a plan for in-store liquor merchandising of
23 brands. (~~The plan may not include provisions for selling liquor-~~
24 ~~related items other than those items previously authorized.~~)

25 **Sec. 3.** RCW 66.16.010 and 2005 c 518 s 935 are each amended to
26 read as follows:

27 (1) There shall be established at such places throughout the state
28 as the liquor control board, constituted under this title, (~~shall~~)
29 deems advisable, stores to be known as "state liquor stores," for the
30 sale of liquor and liquor-related products on consignment in accordance
31 with the provisions of this title and the regulations(~~PROVIDED,~~
32 ~~That~~). However, the prices of all liquor shall be fixed by the board
33 from time to time so that the net annual revenue received by the board
34 therefrom shall not exceed thirty-five percent. Effective no later
35 than July 1, 2005, the liquor control board shall add an equivalent
36 surcharge of \$0.42 per liter on all retail sales of spirits, excluding

1 licensee, military, and tribal sales. The intent of this surcharge is
2 to raise revenue for the general fund-state for the 2003-2005 and 2005-
3 2007 bienniums. The board shall remove the surcharge June 30, 2007.

4 (2) The liquor control board may, from time to time, fix the
5 special price at which pure ethyl alcohol may be sold to physicians and
6 dentists and institutions regularly conducted as hospitals, for use or
7 consumption only in such hospitals; and may also fix the special price
8 at which pure ethyl alcohol may be sold to schools, colleges and
9 universities within the state for use for scientific purposes.
10 Regularly conducted hospitals may have right to purchase pure ethyl
11 alcohol on a federal permit.

12 (3) The liquor control board may also fix the special price at
13 which pure ethyl alcohol may be sold to any department, branch or
14 institution of the state of Washington, federal government, or to any
15 person engaged in a manufacturing or industrial business or in
16 scientific pursuits requiring alcohol for use therein.

17 (4) The liquor control board may also fix a special price at which
18 pure ethyl alcohol may be sold to any private individual, and shall
19 make regulations governing such sale of alcohol to private individuals
20 as shall promote, as nearly as may be, the minimum purchase of such
21 alcohol by such persons.

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