HOUSE BILL REPORT SSB 5045

As Reported by House Committee On:

Government Accountability & Oversight Appropriations

Title: An act relating to allowing day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises.

- **Brief Description**: Allowing day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises.
- **Sponsors**: Senate Committee on Commerce & Labor (originally sponsored by Senators Keiser, Honeyford, Kohl-Welles and Frockt).

Brief History:

Committee Activity:

Government Accountability & Oversight: 3/21/13, 4/2/13 [DPA]; Appropriations: 4/5/13 [DPA(APP w/o OVER)].

Brief Summary of Substitute Bill (As Amended by Committee)

- Creates a special permit for day spas to offer a complimentary glass of wine or beer to customers for on-premise consumption.
- Defines "day spa" for the purposes of the special permit.

HOUSE COMMITTEE ON GOVERNMENT ACCOUNTABILITY & OVERSIGHT

Majority Report: Do pass as amended. Signed by 8 members: Representatives Hurst, Chair; Wylie, Vice Chair; Condotta, Ranking Minority Member; Holy, Assistant Ranking Minority Member; Kirby, Moscoso, Shea and Smith.

Staff: Trudes Tango (786-7384).

Background:

The Liquor Control Board (LCB) issues several different types of licenses and permits that allow an entity to serve and/or sell alcoholic beverages. Examples of special permits include:

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an annual permit for bed and breakfast facilities to offer complimentary wine or beer to overnight guests for consumption on the premises; and a permit to allow liquor distributors and manufacturers to donate and serve without charge alcohol to guests at trade shows and conventions.

There are specific exemptions that allow certain entities to offer alcoholic beverages for no charge without a license or permit. For example, wedding boutiques and art galleries may offer one glass of wine or beer without charge to customers who are 21 years of age or older for on-premise consumption. The wine or beer served at wedding boutiques or art galleries must be purchased from a Washington licensed retailer at full retail price. The wedding boutique or art gallery may not sell beer or wine or advertise the complimentary service of beer or wine. A wedding boutique or art gallery employee involved in serving beer or wine must complete a limited alcohol server training program.

Summary of Amended Bill:

A permit is created to allow a day spa to offer, without charge, wine or beer by the individual glass to customers for on-premise consumption. The customer must be at least 21 years old and may only be offered one glass of wine or beer. The wine or beer served must have been purchased from a Washington state licensed retailer. Any employee involved in the service of wine or beer must complete a board-approved alcohol server training program.

A day spa offering wine or beer without charge may not advertise the service of complimentary wine or beer and may not sell wine or beer in any manner.

"Day spa" means a business that offers at least three of the following types of services: (1) hair care, including shampooing, cutting, styling, and dyeing; (2) skin care, such as facial or body wraps; (4) massages; or (5) body toning equipment.

The annual fee for a day spa permit is \$125.

Amended Bill Compared to Substitute Bill:

The amendment requires employees serving wine or beer to complete an alcohol server training program and changes the definition of "day spa" by removing nail care as one of the types of services that, if offered along with two other types of services, qualifies a business as a day spa. The amendment also specifies that hair care services must include shampooing, cutting, styling, and dyeing hair (rather than those tasks being listed as examples of hair care services).

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill is the same as last year's bill that died on the last day. The language is well-worked. The bill provides a legal avenue for day spas to offer their customers a glass of wine. There are many spas that want to do this but are not allowed under current law.

(Opposed) None.

Persons Testifying: Senator Keiser, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Appropriations and without amendment by Committee on Government Accountability & Oversight. Signed by 25 members: Representatives Hunter, Chair; Alexander, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Carlyle, Cody, Dahlquist, Dunshee, Fagan, Haigh, Haler, Hunt, Jinkins, Kagi, Maxwell, Parker, Pedersen, Pike, Ross, Schmick, Seaquist, Springer, Sullivan and Taylor.

Minority Report: Do not pass. Signed by 5 members: Representatives Ormsby, Vice Chair; Green, Harris, Hudgins and Morrell.

Staff: Jeff Olsen (786-7175).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Government Accountability & Oversight:

The Appropriations Committee amendment authorizes the Legislature to adjust the day spa permit fee in the Omnibus Operating Appropriations Act.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.