
ENGROSSED SUBSTITUTE HOUSE BILL 1965

State of Washington

64th Legislature

2015 Regular Session

By House Appropriations (originally sponsored by Representatives Hudgins and Ormsby; by request of Liquor Control Board)

READ FIRST TIME 02/27/15.

1 AN ACT Relating to a temporary additional fee on licenses and
2 permits issued by the Washington state liquor control board; adding a
3 new section to chapter 66.08 RCW; creating new sections; providing a
4 contingent effective date; and providing expiration dates.

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

6 NEW SECTION. **Sec. 1.** (1) A nonrefundable additional fee is
7 imposed on all applications and renewals of licenses and permits
8 relating to spirits, wine, and beer required under chapters 66.20 and
9 66.24 RCW, with the exception of license issuance fees of seventeen
10 percent of revenues owed by spirits retail licensees under RCW
11 66.24.630(4)(a), and the five to ten percent license issuance fee for
12 spirits distributors under RCW 66.24.055(3). The fee applies to all
13 applications and license modifications received on or after the
14 effective date of this section and renewals where the date of license
15 expiration is on or after June 30, 2015. The fee is equal to six and
16 two tenths percent of the licensing or permit fee due under chapters
17 66.20 and 66.24 RCW. If the fee is not a whole dollar amount, the fee
18 must be rounded up to the next whole dollar.

19 (2) This section expires June 30, 2017.

1 NEW SECTION. **Sec. 2.** (1) Beginning on the effective date of
2 this act, a nonrefundable additional fee is imposed on all
3 applications and renewals of licenses relating to marijuana required
4 under chapter 69.50 RCW. The fee applies to all applications and
5 license modifications received on or after the effective date of this
6 section and renewals where the date of license expiration is on or
7 after June 30, 2015. The fee is equal to six and two tenths percent
8 of the licensing or permit fee otherwise due under chapter 69.50 RCW.
9 If the fee is not a whole dollar amount, the fee must be rounded up
10 to the next whole dollar.

11 (2) This section expires June 30, 2017.

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

14 (1) The licensing and enforcement system modernization project
15 account is created in the custody of the state treasurer. All
16 receipts from sections 1 and 2 of this act must be deposited into the
17 account. Expenditures from the account may be only used for the
18 expenses of replacing and modernizing the board's licensing,
19 enforcement, and imaging system. The expenditures may be expended for
20 automation of licenses and permits, electronic payments, data
21 warehousing, project management and system testing, consulting,
22 contracting, and staff time, and any necessary data conversion,
23 software, hardware, and related equipment costs. Before making
24 expenditures from the account, the board must conduct a thorough
25 business process examination to ensure the new system provides
26 efficient and effective service delivery. As part of the examination,
27 the board must evaluate and articulate how any new system procurement
28 serves the current and future needs of the internal and external
29 stakeholders, the customers, and the public. Only the director of the
30 board or the director's designee may authorize expenditures from the
31 account. The account is subject to allotment procedures under chapter
32 43.88 RCW, but an appropriation is not required for expenditures.

33 (2) This section expires June 30, 2019.

34 NEW SECTION. **Sec. 4.** (1) This act takes effect only if, by June
35 30, 2016, the licensing and enforcement modernization project has
36 received a funding allocation from the information technology pool
37 appropriated in chapter . . ., Laws of 2015 3rd sp. sess. (omnibus
38 operating appropriations act).

1 (2) The office of financial management must provide notice of the
2 effective date of this act to the liquor and cannabis board, the
3 chief clerk of the house of representatives, the secretary of the
4 senate, the office of the code reviser, and others deemed appropriate
5 by the office.

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