

SSB 5161 - H COMM AMD
By Committee on Commerce & Gaming

NOT CONSIDERED 01/05/2018

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 66.24.655 and 2013 c 237 s 1 are each amended to
4 read as follows:

5 (1) There is a theater license to sell spirits, beer, including
6 strong beer, or wine, or all, at retail, for consumption on theater
7 premises. A spirits, beer, and wine theater license may be issued
8 ((only)) to theaters ((that have no more than one hundred twenty
9 seats per screen and)) that are maintained in a substantial manner as
10 a place for preparing, cooking, and serving complete meals ((and
11 providing tabletop accommodations for in theater dining)).
12 Requirements for complete meals are the same as those adopted by the
13 board in rules pursuant to chapter 34.05 RCW for a spirits, beer, and
14 wine restaurant license authorized by RCW 66.24.400. The annual fee
15 for a spirits, beer, and wine theater license is ((two thousand
16 dollars)) either a minimum fee of one thousand dollars, or four
17 dollars per each theater seat within the licensed premises, whichever
18 amount is greater.

19 (2)(a) The theater's liquor service area must be located in an
20 area:

21 (i) That is accessible to a customer only after the customer has
22 entered the lobby or other interior area within the theater and had
23 his or her ticket collected by a theater employee; and

24 (ii) That is physically separated from the concession counter.

25 (b) For theaters with three or more screens that each have more
26 than one hundred twenty seats per screen, liquor may be served in no
27 more than one-third of the screening rooms within the licensed
28 premises.

29 (3) If the theater premises is to be frequented by minors, an
30 alcohol control plan must be submitted to the board at the time of
31 application. The alcohol control plan must be approved by the board

1 and be prominently posted on the premises, prior to minors being
2 allowed.

3 ~~((+3))~~ (4) For the purposes of this section:

4 (a) "Alcohol control plan" means a written, dated, and signed
5 plan submitted to the board by an applicant or licensee for the
6 entire theater premises, or rooms or areas therein, that shows where
7 and when alcohol is permitted, where and when minors are permitted,
8 and the control measures used to ensure that minors are not able to
9 obtain alcohol or be exposed to environments where drinking alcohol
10 predominates.

11 (b) "Theater" means a place of business where motion pictures or
12 other primarily nonparticipatory entertainment are shown.

13 ~~((+4))~~ (5) The board must adopt rules regarding alcohol control
14 plans and necessary control measures to ensure that minors are not
15 able to obtain alcohol or be exposed to areas where drinking alcohol
16 predominates. All alcohol control plans must include a requirement
17 that any person involved in the serving of spirits, beer, and/or wine
18 must have completed a mandatory alcohol server training program.

19 ~~((+5))~~ (6)(a) A licensee that is an entity that is exempt from
20 taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal
21 revenue code of 1986, as amended as of January 1, 2013, may enter
22 into arrangements with a spirits, beer, or wine manufacturer,
23 importer, or distributor for brand advertising at the theater or
24 promotion of events held at the theater. The financial arrangements
25 providing for the brand advertising or promotion of events may not be
26 used as an inducement to purchase the products of the manufacturer,
27 importer, or distributor entering into the arrangement and such
28 arrangements may not result in the exclusion of brands or products of
29 other companies.

30 (b) The arrangements allowed under this subsection ~~((+5))~~ (6)
31 are an exception to arrangements prohibited under RCW 66.28.305. The
32 board must monitor the impacts of these arrangements. The board may
33 conduct audits of a licensee and the affiliated business to determine
34 compliance with this subsection ~~((+5))~~ (6). Audits may include, but
35 are not limited to: Product selection at the facility; purchase
36 patterns of the licensee; contracts with the spirits, beer, or wine
37 manufacturer, importer, or distributor; and the amount allocated or
38 used for spirits, beer, or wine advertising by the licensee,
39 affiliated business, manufacturer, importer, or distributor under the
40 arrangements.

1 (~~(6)~~) (7) The maximum penalties prescribed by the board in WAC
2 314-29-020 relating to fines and suspensions are double for
3 violations involving minors or the failure to follow the alcohol
4 control plan with respect to theaters licensed under this section.

5 **Sec. 2.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to
6 read as follows:

7 (1) There is a theater license to sell beer, including strong
8 beer, or wine, or both, at retail, for consumption on theater
9 premises. The annual fee (~~(is four hundred dollars)~~) for a beer and
10 wine theater license is either a minimum fee of four hundred dollars,
11 or two dollars per each theater seat within the licensed premises,
12 whichever amount is greater.

13 (2) If the theater premises is to be frequented by minors, an
14 alcohol control plan must be submitted to the board at the time of
15 application. The alcohol control plan must be approved by the board,
16 and be prominently posted on the premises, prior to minors being
17 allowed.

18 (3) For the purposes of this section:

19 (a) "Alcohol control plan" means a written, dated, and signed
20 plan submitted to the board by an applicant or licensee for the
21 entire theater premises, or rooms or areas therein, that shows where
22 and when alcohol is permitted, where and when minors are permitted,
23 and the control measures used to ensure that minors are not able to
24 obtain alcohol or be exposed to environments where drinking alcohol
25 predominates.

26 (b) "Theater" means a place of business where motion pictures or
27 other primarily nonparticipatory entertainment are shown(~~(, and~~
28 ~~includes only theaters with up to four screens)~~).

29 (4) The board must adopt rules regarding alcohol control plans
30 and necessary control measures to ensure that minors are not able to
31 obtain alcohol or be exposed to areas where drinking alcohol
32 predominates. All alcohol control plans must include a requirement
33 that any person involved in the serving of beer and/or wine must have
34 completed a mandatory alcohol server training program.

35 (5)(a) A licensee that is an entity that is exempt from taxation
36 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
37 code of 1986, as amended as of January 1, 2013, may enter into
38 arrangements with a beer or wine manufacturer, importer, or
39 distributor for brand advertising at the theater or promotion of

1 events held at the theater. The financial arrangements providing for
2 the brand advertising or promotion of events may not be used as an
3 inducement to purchase the products of the manufacturer, importer, or
4 distributor entering into the arrangement and such arrangements may
5 not result in the exclusion of brands or products of other companies.

6 (b) The arrangements allowed under this subsection (5) are an
7 exception to arrangements prohibited under RCW 66.28.305. The board
8 must monitor the impacts of these arrangements. The board may conduct
9 audits of a licensee and the affiliated business to determine
10 compliance with this subsection (5). Audits may include, but are not
11 limited to: Product selection at the facility; purchase patterns of
12 the licensee; contracts with the beer or wine manufacturer, importer,
13 or distributor; and the amount allocated or used for wine or beer
14 advertising by the licensee, affiliated business, manufacturer,
15 importer, or distributor under the arrangements.

16 (6) The maximum penalties prescribed by the board in WAC
17 314-29-020 relating to fines and suspensions are double for
18 violations involving minors or the failure to follow the alcohol
19 control plan with respect to theaters licensed under this section."

20 Correct the title.

EFFECT: (1) Revises the annual fee for a spirits, beer, and wine
theater license to eliminate the two thousand dollar flat fee and
replace it with a minimum fee of one thousand dollars, or four
dollars per theater seat, whichever amount is greater.

(2) Allows liquor to be served in no more than one third of the
screening rooms in those theaters with three or more screens that
have more than 120 seats per screen.

(3) Requires that the liquor service area be accessible to a
customer only after the customer has entered the lobby or other
interior area within the theater and had his or her ticket collected
by a theater employee.

(4) Requires that the liquor service area be physically separated
from the concession counter.

(5) Revises the annual fee for a beer and wine theater license to
eliminate the four hundred dollar flat fee and replace it with a
minimum fee of four hundred dollars, or two dollars per theater seat,
whichever amount is greater.

--- END ---