

SENATE BILL REPORT

SB 6430

As of January 30, 2018

Title: An act relating to the consumption of alcohol for certain special events held on agricultural fairgrounds.

Brief Description: Concerning the consumption of alcohol for certain special events held on agricultural fairgrounds.

Sponsors: Senator Zeiger.

Brief History:

Committee Activity: Labor & Commerce: 1/29/18.

Brief Summary of Bill

- Allows certain special occasion licensees, who hold an event on the fairgrounds of an agricultural fair, to allow the consumption of alcohol within the entire fair venue, under specified conditions.
- Requires the Liquor and Cannabis Board (LCB) to adopt rules setting the criteria and conditions for the issuance of a new fairgrounds endorsement.

SENATE COMMITTEE ON LABOR & COMMERCE

Staff: Richard Rodger (786-7461)

Background: Special Occasion Licenses. A not-for-profit society or organization that obtains a special occasion liquor license may sell spirits, beer, and wine by the individual glass to be consumed on the premises. If an organization gets prior permission from the LCB, the licensee may also sell:

- spirits, beer, or wine in original, unopened containers for off-premises consumption; and
- wine in unopened bottles for on-premises consumption.

The special occasion license permits the licensee to serve liquor at a specified event, on a specified date and place. The sale, service, and consumption of spirits, beer, and wine must be confined to specified premises or designated areas only. All liquor sold under the special occasion license must be purchased from a licensee of the LCB.

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.

The fee for the special occasion license is \$60 per day and the organization is generally limited to sales on no more than 12 single-day events per year.

Agricultural Fairs. Agricultural fairs are fairs or exhibitions intended to promote agriculture by including, among other things, a balanced variety of exhibits of livestock and agricultural products. Agricultural fairs are divided into four categories. "Area fairs" are organized to serve an area larger than one county. "County and district fairs" are organized to serve the interests of certain single counties. "Community fairs" are organized primarily to serve a smaller area than an area fair or county fair. "Youth shows and fairs" serve three or more counties, educate and train rural youth, and are approved by Washington State University or the Office of the Superintendent of Public Instruction.

Summary of Bill: A special occasion licensee who holds certain special events on the fairgrounds of an agricultural fair may allow the consumption of alcohol within the entire fair venue, if the following conditions are met:

- the licensee has obtained a fairground endorsement from the LCB that allows the use of the entire venue or a designated portion of the venue for the consumption of alcohol;
- the fairgrounds or designated area for the special event is enclosed by fencing;
- access to the fairground or designated area is controlled; and
- the event primarily caters to adult patrons and may not include such events as state fairs or agricultural fairs.

The LCB must adopt rules setting the criteria and conditions that must be met in order to issue a fairgrounds endorsement.

The new provisions do not limit any existing right or benefit currently authorized or provided to special events or special occasion license holders.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: There are over 40 fairgrounds in the state and this bill will give them more flexibility and create additional opportunities for generating revenue. The fairgrounds have requested the LCB to allow for beverages to be taken around the grounds for special events, but the requests have been denied. The bill will provide greater convenience for the fairground users. This concept is allowed in other states, such as California, Oregon, Texas, and others. Those states have found fewer or more limited alcohol violations. We are happy to work with the LCB to refine this proposal.

CON: Our objection to this bill is related not to its specific provisions, but to the cumulative effect of all the alcohol related bills that have come before this bill and the ones that will

come afterwards. These bills continue to expand the opportunity to consume alcohol and create mixed messages for our youth.

OTHER: We already allow alcohol at special events and we work with the fairs on special requests to carry beverages around within larger buildings and between buildings. We do have concerns relating to the number of youth that would be present; the level of adequate staffing for special occasion licensees, who often use volunteers; and with adequate lighting for hidden or isolated areas.

Persons Testifying: PRO: Senator Hans Zeiger, Prime Sponsor; Heather Hansen, Washington State Fairs Association; Kent Hojem, Chief Executive Officer, Washington State Fair.

CON: Seth Dawson, Washington Association for Substance Abuse Prevention.

OTHER: Becky Smith, Liquor and Cannabis Board; Chris Thompson, Liquor and Cannabis Board; Justin Nordhorn, Liquor and Cannabis Board.

Persons Signed In To Testify But Not Testifying: No one.