SENATE BILL REPORT HB 2260

As Reported by Senate Committee On: Labor & Commerce, February 15, 2024

Title: An act relating to establishing civil penalties for the unlawful sale or supply of alcohol to minors.

Brief Description: Establishing civil penalties for the unlawful sale or supply of alcohol to minors.

Sponsors: Representatives Waters, Reeves, Leavitt, Kloba and Cheney; by request of Liquor and Cannabis Board.

Brief History: Passed House: 2/6/24, 97-0.

Committee Activity: Labor & Commerce: 2/15/24 [DP].

Brief Summary of Bill

- Authorizes the Liquor and Cannabis Board (LCB) to impose civil penalties on individuals for selling, gifting, or supplying liquor to anyone under the age of 21 from a business licensed by the LCB, and by a person employed by the business.
- Establishes monetary penalty amounts for violations of the law prohibiting the sale of alcohol to minors.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña, Vice Chair; King, Ranking Member; Braun, Hansen, MacEwen, Schoesler and Stanford.

Staff: Madeline Ralstin (786-7356)

Senate Bill Report - 1 - HB 2260

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: Washington State law prohibits any person from giving, selling, or supplying alcohol to any person under the age of 21 and prohibits persons under the age of 21 from consuming alcohol on their premise or on any premises under their control. A violation of this statute is a gross misdemeanor that may result in a fine no more than \$5,000, or imprisonment in jail for no more than 364 days, or both.

Under Liquor and Cannabis Board (LCB) rule, there are penalties for licensees for the sale or service of alcohol to a person under 21 years of age. The penalties for violations are:

- a five-day suspension or a \$500 penalty for the first violation;
- a seven-day suspension for the second violation in a two-year period;
- a 30-day suspension for a third violation in a two-year period; and
- cancellation of the license for the fourth violation in a two-year period.

After the first violation, violations do not have a monetary option. LCB may offer a monetary option instead of suspension days based on mitigating circumstances.

Summary of Bill: Requirements of Penalties. LCB may impose civil penalties on individuals for selling, gifting, or supplying liquor to anyone under the age of 21 from a business licensed by LCB or a person performing acts of employment on behalf of the business.

LCB may not impose a civil penalty in addition to a criminal citation. Criminal enforcement can be administered instead of a civil penalty for continued violations or violations involving intentional sales to persons under 21. When a person holds an alcohol server permit, LCB may administer enforcement from existing alcohol permit provisions in Washington State law.

<u>Penalties.</u> LCB may impose the following monetary penalties for one or more violations:

- \$200 for the first violation;
- \$400 for a second violation that occurs within three years; and
- \$500 for a third or subsequent violation within three years.

LCB may develop a class for retail clerks that can be taken instead of a monetary penalty for the clerk's first violation. LCB is authorized to seek injunctive relief to enforce provisions and may initiate legal action to collect the penalties imposed if they have not been paid within 30 days after imposition. All proceedings under this section must be conducted in accordance with the Administrative Procedure Act.

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: No public hearing was held.

Persons Testifying: N/A

Persons Signed In To Testify But Not Testifying: $\,\mathrm{N/A}$

Senate Bill Report - 3 - HB 2260