

2 SHB 2843 - S COMM AMD
3 By Committee on Commerce & Labor

4
5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 66.24.010 and 1988 c 200 s 1 are each amended to read
8 as follows:

9 (1) Every license shall be issued in the name of the applicant, and
10 the holder thereof shall not allow any other person to use the license.

11 (2) For the purpose of considering any application for a license,
12 the board may cause an inspection of the premises to be made, and may
13 inquire into all matters in connection with the construction and
14 operation of the premises. For the purpose of reviewing any
15 application for a license and for considering the denial, suspension or
16 revocation of any license, the liquor control board may consider any
17 prior criminal conduct of the applicant and the provisions of RCW
18 9.95.240 and of chapter 9.96A RCW shall not apply to such cases. The
19 board may, in its discretion, grant or refuse the license applied for.
20 No retail license of any kind may be issued to:

21 ~~(a) ((A person who has not resided in the state for at least one
22 month prior to making application, except in cases of licenses issued
23 to dining places on railroads, boats, or aircraft;~~

24 ~~(b)))~~ A copartnership, unless all of the members thereof are
25 qualified to obtain a license, as provided in this section;

26 ~~((e)))~~ (b) A person whose place of business is conducted by a
27 manager or agent, unless such manager or agent possesses the same
28 qualifications required of the licensee;

1 (~~(d)~~) (c) A corporation, unless it was created under the laws of
2 the state of Washington or holds a certificate of authority to transact
3 business in the state of Washington;

4 (d) A corporation having any officer or director who was previously
5 an officer or director of any defunct corporation that held a liquor
6 license and discontinued business leaving unpaid taxes owing the state
7 of Washington, until or unless such back taxes are paid in full to the
8 state.

9 (3) The board may, in its discretion, subject to the provisions of
10 RCW 66.08.150, suspend or cancel any license; and all rights of the
11 licensee to keep or sell liquor thereunder shall be suspended or
12 terminated, as the case may be. The board may request the appointment
13 of administrative law judges under chapter 34.12 RCW who shall have
14 power to administer oaths, issue subpoenas for the attendance of
15 witnesses and the production of papers, books, accounts, documents, and
16 testimony, examine witnesses, and to receive testimony in any inquiry,
17 investigation, hearing, or proceeding in any part of the state, under
18 such rules and regulations as the board may adopt.

19 Witnesses shall be allowed fees and mileage each way to and from
20 any such inquiry, investigation, hearing, or proceeding at the rate
21 authorized by RCW 34.05.446, as now or hereafter amended. Fees need
22 not be paid in advance of appearance of witnesses to testify or to
23 produce books, records, or other legal evidence.

24 In case of disobedience of any person to comply with the order of
25 the board or a subpoena issued by the board, or any of its members, or
26 administrative law judges, or on the refusal of a witness to testify to
27 any matter regarding which he may be lawfully interrogated, the judge
28 of the superior court of the county in which the person resides, on
29 application of any member of the board or administrative law judge,
30 shall compel obedience by contempt proceedings, as in the case of

1 disobedience of the requirements of a subpoena issued from said court
2 or a refusal to testify therein.

3 (4) Upon receipt of notice of the suspension or cancellation of a
4 license, the licensee shall forthwith deliver up the license to the
5 board. Where the license has been suspended only, the board shall
6 return the license to the licensee at the expiration or termination of
7 the period of suspension. The board shall notify all vendors in the
8 city or place where the licensee has its premises of the suspension or
9 cancellation of the license; and no employee may allow or cause any
10 liquor to be delivered to or for any person at the premises of that
11 licensee.

12 (5)(a) At the time of the original issuance of a class H license,
13 the board shall prorate the license fee charged to the new licensee
14 according to the number of calendar quarters, or portion thereof,
15 remaining until the first renewal of that license is required.

16 (b) Unless sooner canceled, every license issued by the board shall
17 expire at midnight of the thirtieth day of June of the fiscal year for
18 which it was issued. However, if the board deems it feasible and
19 desirable to do so, it may establish, by rule pursuant to chapter 34.05
20 RCW, a system for staggering the annual renewal dates for any and all
21 licenses authorized by this chapter. If such a system of staggered
22 annual renewal dates is established by the board, the license fees
23 provided by this chapter shall be appropriately prorated during the
24 first year that the system is in effect.

25 (6) Every license issued under this section shall be subject to all
26 conditions and restrictions imposed by this title or by the regulations
27 in force from time to time. All conditions and restrictions imposed by
28 the board in the issuance of an individual license shall be listed on
29 the face of the individual license along with the trade name, address,
30 and expiration date.

1 (7) Every licensee shall post and keep posted its license, or
2 licenses, in a conspicuous place on the premises.

3 (8) Before the board shall issue a license to an applicant it shall
4 give notice of such application to the chief executive officer of the
5 incorporated city or town, if the application be for a license within
6 an incorporated city or town, or to the county legislative authority,
7 if the application be for a license outside the boundaries of
8 incorporated cities or towns; and such incorporated city or town,
9 through the official or employee selected by it, or the county
10 legislative authority or the official or employee selected by it, shall
11 have the right to file with the board within twenty days after date of
12 transmittal of such notice, written objections against the applicant or
13 against the premises for which the license is asked, and shall include
14 with such objections a statement of all facts upon which such
15 objections are based, and in case written objections are filed, may
16 request and the liquor control board may in its discretion hold a
17 formal hearing subject to the applicable provisions of Title 34 RCW, as
18 now or hereafter amended. Upon the granting of a license under this
19 title the board shall send a duplicate of the license or written
20 notification to the chief executive officer of the incorporated city or
21 town in which the license is granted, or to the county legislative
22 authority if the license is granted outside the boundaries of
23 incorporated cities or towns.

24 (9) Before the board issues any license to any applicant, it shall
25 give (a) due consideration to the location of the business to be
26 conducted under such license with respect to the proximity of churches,
27 schools, and public institutions and (b) written notice by certified
28 mail of the application to churches, schools, and public institutions
29 within five hundred feet of the premises to be licensed. The board
30 shall issue no beer retailer license class A, B, D, or E or wine

1 retailer license class C or F or class H license covering any premises
2 not now licensed, if such premises are within five hundred feet of the
3 premises of any tax-supported public elementary or secondary school
4 measured along the most direct route over or across established public
5 walks, streets, or other public passageway from the outer property line
6 of the school grounds to the nearest public entrance of the premises
7 proposed for license, and if, after receipt by the school or public
8 institution of the notice as provided in this subsection, the board
9 receives written notice, within twenty days after posting such notice,
10 from an official representative or representatives of the school within
11 five hundred feet of said proposed licensed premises, indicating to the
12 board that there is an objection to the issuance of such license
13 because of proximity to a school. For the purpose of this section,
14 church shall mean a building erected for and used exclusively for
15 religious worship and schooling or other activity in connection
16 therewith. No liquor license may be issued or reissued by the board to
17 any motor sports facility or licensee operating within the motor sports
18 facility unless the motor sports facility enforces a program reasonably
19 calculated to prevent alcohol or alcoholic beverages not purchased
20 within the facility from entering the facility and such program is
21 approved by local law enforcement agencies. It is the intent under
22 this subsection that a retail license shall not be issued by the board
23 where doing so would, in the judgment of the board, adversely affect a
24 private school meeting the requirements for private schools under Title
25 28A RCW, which school is within five hundred feet of the proposed
26 licensee. The board shall fully consider and give substantial weight
27 to objections filed by private schools. If a license is issued despite
28 the proximity of a private school, the board shall state in a letter
29 addressed to the private school the board's reasons for issuing the
30 license.

1 (10) The restrictions set forth in the preceding subsection shall
2 not prohibit the board from authorizing the transfer of existing
3 licenses now located within the restricted area to other persons or
4 locations within the restricted area: PROVIDED, Such transfer shall in
5 no case result in establishing the licensed premises closer to a church
6 or school than it was before the transfer.

7 (11) Nothing in this section prohibits the board, in its
8 discretion, from issuing a temporary retail or wholesaler license to a
9 transferee of a retail or wholesaler license to continue the operation
10 of the retail or wholesaler premises during the period a transfer
11 application for the license from person to person at the same premises
12 is pending and when the following conditions exist:

13 (a) The licensed premises has been operated under a retail or
14 wholesaler license within ninety days of the date of filing the
15 application for a temporary license;

16 (b) The retail or wholesaler license for the premises has been
17 surrendered pursuant to issuance of a temporary operating license;

18 (c) The applicant for the temporary license has filed with the
19 board an application for transfer of the retail or wholesaler license
20 at such premises to himself or herself; and

21 (d) The application for a temporary license is accompanied by a
22 temporary license fee established by the board by rule.

23 A temporary license issued by the board under this section shall be
24 for a period not to exceed sixty days. A temporary license may be
25 extended at the discretion of the board for an additional sixty-day
26 period upon payment of an additional fee and upon compliance with all
27 conditions required in this section.

28 Refusal by the board to issue or extend a temporary license shall
29 not entitle the applicant to request a hearing. A temporary license
30 may be canceled or suspended summarily at any time if the board

1 determines that good cause for cancellation or suspension exists. RCW
2 66.08.130 and chapter 34.05 RCW shall apply to temporary licenses.

3 Application for a temporary license shall be on such form as the
4 board shall prescribe. If an application for a temporary license is
5 withdrawn before issuance or is refused by the board, the fee which
6 accompanied such application shall be refunded in full."

7 "Sec. 2. RCW 66.24.204 and 1981 1st ex.s. c 5 s 33 are each
8 amended to read as follows:

9 (1) It shall be unlawful for any person, firm or corporation, to
10 import wine into the state of Washington or to transport or cause the
11 same to be transported into the state of Washington for sale therein,
12 unless such person, firm or corporation, has obtained from the
13 Washington state liquor control board and have in force a wine
14 importer's license. The license fee for such wine importer's license
15 shall be sixty dollars per annum;

16 (2) The wine importer's license herein provided for shall authorize
17 the holder thereof to sell wine imported, or transported, or caused to
18 be transported thereunder to licensed wine wholesalers within the state
19 and to export the same from the state. Every person, firm or
20 corporation, licensed as a wine importer, shall establish and maintain
21 a principal office within the state, at which shall be kept proper
22 records of all wine imported into the state, under his, their, or its
23 license. No wine importer's license shall be granted to ((a
24 ~~nonresident of the state, nor to a corporation whose principal place of~~
25 ~~business is outside the state)) an individual, partnership, or
26 corporation, until such applicant has established such principal office
27 within the state as hereinbefore provided, and has designated a
28 statutory agent within the state upon whom service can be made;~~

1 (3) Every wine importer's license issued under this title shall be
2 subject to all conditions and restrictions imposed by this title, or by
3 the rules and regulations of the board."

4 "Sec. 3. RCW 66.24.260 and 1981 1st ex.s. c 5 s 15 are each
5 amended to read as follows:

6 (1) It shall be unlawful for any person, firm or corporation, to
7 import beer into the state of Washington or to transport or cause the
8 same to be transported into the state of Washington for sale therein,
9 unless such person, firm or corporation, has obtained from the
10 Washington state liquor control board and have in force a beer
11 importer's license. The license fee for such beer importer's license
12 shall be sixty dollars per annum;

13 (2) The beer importer's license herein provided for shall authorize
14 the holder thereof to sell beer imported, or transported, or caused to
15 be transported thereunder to licensed beer wholesalers within the state
16 and to export the same from the state. Every person, firm or
17 corporation, licensed as a beer importer, shall establish and maintain
18 a principal office within the state, at which shall be kept proper
19 records of all beer imported into the state, under his, their, or its
20 license. No beer importer's license shall be granted to a
21 (~~nonresident of the state, nor to a corporation whose principal place~~
22 ~~of business is outside the state~~) person, partnership, or corporation,
23 until such applicant has established such principal office within the
24 state as hereinbefore provided, and has designated a statutory agent
25 within the state upon whom service can be made;

26 (3) Every beer importer's license issued under this title shall be
27 subject to all conditions and restrictions imposed by this title, or by
28 the rules and regulations of the board."

1 **"Sec. 4.** RCW 66.24.380 and 1988 c 200 s 2 are each amended to read
2 as follows:

3 There shall be a beer retailer's license to be designated as class
4 G; a special license to a society or organization to sell beer at
5 picnics or other special occasions at a specified date and place; fee
6 thirty-five dollars per day. Sale, service, and consumption of beer is
7 to be confined to specified premises or designated areas only.

8 A holder of a class G license shall be permitted to sell at no more
9 than two licensed events each year to members and guests in attendance
10 at the special occasion, limited quantities of beer in unopened bottles
11 and original packages not exceeding more than four gallons of malt
12 liquor in kegs or other containers, not to be consumed on the premise
13 where sold, by paying an additional fee of ten dollars per day. The
14 board shall adopt appropriate rules pursuant to chapter 34.05 RCW for
15 the purpose of carrying out the provisions of this section."

16 **"Sec. 5.** RCW 66.24.420 and 1981 1st ex.s. c 5 s 45 are each
17 amended to read as follows:

18 (1) The class H license shall be issued in accordance with the
19 following schedule of annual fees:

20 (a) The annual fee for said license, if issued to a club, whether
21 inside or outside of incorporated cities and towns, shall be seven
22 hundred dollars.

23 (b) The annual fee for said license, if issued to any other class
24 H licensee in incorporated cities and towns, shall be graduated
25 according to the population thereof as follows:

26	Incorporated	
27	Cities and towns	Fees
28	Less than 20,000	\$1,200

1

20,000 or over

\$2,000

2 (c) The annual fee for said license when issued to any other class
3 H licensee outside of incorporated cities and towns shall be: Two
4 thousand dollars; this fee shall be prorated according to the calendar
5 quarters, or portion thereof, during which the licensee is open for
6 business, except in case of suspension or revocation of the license.

7 (d) Where the license shall be issued to any corporation,
8 association or person operating a bona fide restaurant in an airport
9 terminal facility providing service to transient passengers with more
10 than one place where liquor is to be dispensed and sold, such license
11 shall be issued upon the payment of the annual fee, which shall be a
12 master license and shall permit such sale within and from one such
13 place. Such license may be extended to additional places on the
14 premises at the discretion of the board and a duplicate license may be
15 issued for each such additional place: PROVIDED, That the holder of a
16 master license for a restaurant in an airport terminal facility shall
17 be required to maintain in a substantial manner at least one place on
18 the premises for preparing, cooking and serving of complete meals, and
19 such food service shall be available on request in other licensed
20 places on the premises: PROVIDED, FURTHER, That an additional license
21 fee of twenty-five percent of the annual master license fee shall be
22 required for such duplicate licenses.

23 (e) Where the license shall be issued to any corporation,
24 association, or person operating dining places at publicly owned civic
25 centers with facilities for sports, entertainment, and conventions,
26 with more than one place where liquor is to be dispensed and sold, such
27 license shall be issued upon the payment of the annual fee, which shall
28 be a master license and shall permit such sale within and from one such
29 place. Such license may be extended to additional places on the

1 premises at the discretion of the board and a duplicate license may be
2 issued for each such additional place: PROVIDED, That the holder of
3 a master license for a dining place at such a publicly owned civic
4 center shall be required to maintain in a substantial manner at least
5 one place on the premises for preparing, cooking and serving of
6 complete meals, and food service shall be available on request in other
7 licensed places on the premises if an event is being conducted, but
8 shall not be required at other times: PROVIDED FURTHER, That an
9 additional license fee of ten dollars shall be required for such
10 duplicate licenses.

11 (f) Where the license shall be issued to any corporation,
12 association or person operating more than one building containing
13 dining places at privately owned facilities which are open to the
14 public and where there is a continuity of ownership of all adjacent
15 property, such license shall be issued upon the payment of an annual
16 fee which shall be a master license and shall permit such sale within
17 and from one such place. Such license may be extended to the
18 additional dining places on the property at the discretion of the board
19 and a duplicate license may be issued for each additional place:
20 PROVIDED, That the holder of the master license for the dining place
21 shall not offer alcoholic beverages for sale, service, and consumption
22 at the additional place unless food service is available at both the
23 location of the master license and the duplicate license: PROVIDED
24 FURTHER, That an additional license fee of twenty dollars shall be
25 required for such duplicate licenses.

26 (2) The board, so far as in its judgment is reasonably possible,
27 shall confine class H licenses to the business districts of cities and
28 towns and other communities, and not grant such licenses in residential
29 districts, nor within the immediate vicinity of schools, without being

1 limited in the administration of this subsection to any specific
2 distance requirements.

3 (3) The board shall have discretion to issue class H licenses
4 outside of cities and towns in the state of Washington. The purpose of
5 this subsection is to enable the board, in its discretion, to license
6 in areas outside of cities and towns and other communities,
7 establishments which are operated and maintained primarily for the
8 benefit of tourists, vacationers and travelers, and also golf and
9 country clubs, and common carriers operating dining, club and buffet
10 cars, or boats.

11 (4) The total number of class H licenses issued in the state of
12 Washington by the board, not including those class H licenses issued to
13 clubs, shall not in the aggregate at any time exceed one license for
14 each fifteen hundred of population in the state, determined according
15 to the yearly population determination developed by the office of
16 financial management pursuant to RCW 43.62.030.

17 (5) Notwithstanding the provisions of subsection (4) of this
18 section, the board shall refuse a class H license to any applicant if
19 in the opinion of the board the class H licenses already granted for
20 the particular locality are adequate for the reasonable needs of the
21 community."

22 "Sec. 6. RCW 66.28.070 and 1987 c 205 s 1 are each amended to read
23 as follows:

24 (1) Except as provided in subsection (2) of this section, it shall
25 be unlawful for any retail beer licensee to purchase beer, except from
26 a duly licensed beer wholesaler, and it shall be unlawful for any
27 brewer or beer wholesaler to purchase beer, except from a duly licensed
28 beer wholesaler or beer importer.

1 (2) A beer retailer licensee may purchase beer from a government
2 agency which has lawfully seized beer from a licensed beer retailer, or
3 from a board-authorized retailer, or from a licensed retailer which has
4 discontinued business if the wholesaler has refused to accept beer from
5 that retailer for return and refund. Beer purchased under this
6 subsection shall meet the quality standards set by its manufacturer.

7 (3) Special occasion licensees holding a class G license may
8 purchase beer from a beer retailer licensed to sell beer for off-
9 premises consumption or from a licensed beer wholesaler. Licensees
10 holding a class J license may purchase wine from a wine retailer
11 licensed to sell wine for off-premises consumption or from a licensed
12 wine wholesaler. Beer manufacturers, importers, and wholesalers
13 participating in judging or tasting events held under the auspices of
14 a class G license may advertise, pour, or dispense beer during the
15 event without being in violation of RCW 66.28.010."

16 "Sec. 7. RCW 66.24.360 and 1991 c 42 s 4 are each amended to read
17 as follows:

18 There shall be a beer retailer's license to be designated as
19 ~~((a))~~ a class E license to sell beer at retail in bottles and
20 original packages, not to be consumed upon the premises where sold, at
21 any store other than the state liquor stores. Licensees holding only
22 an E license may not sell malt liquor in kegs or other containers
23 capable of holding ~~((four))~~ five and one-half gallons or more of
24 liquid. The annual fee for the license is seventy-five dollars for
25 each store: PROVIDED, That a holder of a class A or a class B license
26 shall be entitled to the privileges permitted in this section by paying
27 an annual fee of twenty-five dollars for each store. Licensees under
28 this section whose business is primarily the sale of beer and/or wine
29 at retail may provide, free or for a charge, single-serving samples of

1 two ounces or less to customers for the purpose of sales promotion.
2 Sampling activities of licensees under this section shall be subject to
3 RCW 66.28.010 and 66.28.040 and the cost of sampling under this section
4 may not be borne, directly or indirectly, by any manufacturer,
5 importer, or wholesaler of liquor.

6 For the purpose of this section, "beer" includes, in addition to
7 the usual and customary meaning, bottle conditioned beer which has been
8 fermented partially or completely in the container in which it is sold
9 to the retail customer and which may contain residual active yeast.
10 The bottles and original packages in which such bottle conditioned beer
11 may be sold under this section shall not exceed one hundred seventy
12 ounces in capacity."

13 "Sec. 8. RCW 66.28.200 and 1989 c 271 s 229 are each amended to
14 read as follows:

15 Only licensees holding a class A or B license in combination with
16 a class E license may sell malt liquor in kegs or other containers
17 capable of holding (~~four~~) five and one-half gallons or more of
18 liquid. Any person who sells or offers for sale the contents of kegs
19 or other containers containing four gallons or more of malt liquor, or
20 leases kegs or other containers that will hold four gallons of malt
21 liquor, to consumers who are not licensed under chapter 66.24 RCW shall
22 do the following for any transaction involving the container:

23 (1) Require the purchaser of the malt liquor to sign a declaration
24 and receipt for the keg or other container or beverage in substantially
25 the form provided in RCW 66.28.220;

26 (2) Require the purchaser to provide one piece of identification
27 pursuant to RCW 66.16.040;

28 (3) Require the purchaser to sign a sworn statement, under penalty
29 of perjury, that:

1 (a) The purchaser is of legal age to purchase, possess, or use malt
2 liquor;

3 (b) The purchaser will not allow any person under the age of
4 twenty-one years to consume the beverage except as provided by RCW
5 66.44.270;

6 (c) The purchaser will not remove, obliterate, or allow to be
7 removed or obliterated, the identification required under RCW 66.28.220
8 to be affixed to the container;

9 (4) Require the purchaser to state the particular address where the
10 malt liquor will be consumed, or the particular address where the keg
11 or other container will be physically located; and

12 (5) Require the purchaser to maintain a copy of the declaration and
13 receipt next to or adjacent to the keg or other container, in no event
14 a distance greater than five feet, and visible without a physical
15 barrier from the keg, during the time that the keg or other container
16 is in the purchaser's possession or control."

17 "Sec. 9. RCW 66.28.220 and 1989 c 271 s 231 are each amended to
18 read as follows:

19 The board shall adopt rules requiring retail licensees to affix
20 appropriate identification on all containers of four gallons or more of
21 malt liquor for the purpose of tracing the purchasers of such
22 containers. The rules may provide for identification to be done on a
23 state-wide basis or on the basis of smaller geographical areas.

24 The board shall develop and make available forms for the
25 declaration and receipt required by RCW 66.28.200. The board may
26 charge class E licensees for the costs of providing the forms and that
27 money collected for the forms shall deposited into the liquor revolving
28 fund for use by the board, without further appropriation, to continue
29 to administer the cost of the keg registration program.

1 It is unlawful for any person to sell or offer for sale kegs or
2 other containers containing four gallons or more of malt liquor to
3 consumers who are not licensed under chapter 66.24 RCW if the kegs or
4 containers are not identified in compliance with rules adopted by the
5 board."

6 **SHB 2843** - S COMM AMD
7 By Committee on Commerce & Labor

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9 On page 1, line 1 of the title, after "licenses;" strike the
10 remainder of the title and insert "and amending RCW 66.24.010,
11 66.24.204, 66.24.260, 66.24.380, 66.24.420, 66.28.070, 66.24.360,
12 66.28.200, and 66.28.220."