
SENATE BILL 5325

State of Washington

52nd Legislature

1991 Regular Session

By Senators Amondson, Sutherland and Stratton; by request of Governor Gardner.

Read first time January 28, 1991. Referred to Committee on Governmental Operations.

1 AN ACT Relating to organization of the liquor control board;
2 amending RCW 66.04.010, 66.08.012, 66.08.014, 66.08.020, 66.08.028,
3 66.08.030, 66.08.050, 66.08.070, 66.08.130, 66.08.140, 66.08.150,
4 66.08.170, 66.08.180, 66.08.220, 66.12.140, 66.16.010, 66.20.070,
5 66.20.080, 66.24.010, 66.44.010, 43.03.028, 43.17.010, and 43.17.020;
6 reenacting and amending RCW 66.20.010 and 42.17.2401; adding a new
7 section to chapter 66.08 RCW; repealing RCW 66.08.016; and providing an
8 effective date.

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

10 **Sec. 1.** RCW 66.04.010 and 1987 c 386 s 3 are each amended to read
11 as follows:

12 In this title, unless the context otherwise requires:

13 (1) "Alcohol" is that substance known as ethyl alcohol, hydrated
14 oxide of ethyl, or spirit of wine, which is commonly produced by the
15 fermentation or distillation of grain, starch, molasses, or sugar, or

1 other substances including all dilutions and mixtures of this
2 substance. The term "alcohol" does not include alcohol in the
3 possession of a manufacturer or distiller of alcohol fuel, as described
4 in RCW 66.12.130, which is intended to be denatured and used as a fuel
5 for use in motor vehicles, farm implements, and machines or implements
6 of husbandry.

7 (2) "Beer" means any malt beverage or malt liquor as these terms
8 are defined in this chapter.

9 (3) "Brewer" means any person engaged in the business of
10 manufacturing beer and malt liquor.

11 (4) "Board" means the liquor control board, ~~((constituted under))~~
12 which is the agency responsible for administering this title.

13 (5) "Club" means an organization of persons, incorporated or
14 unincorporated, operated solely for fraternal, benevolent, educational,
15 athletic or social purposes, and not for pecuniary gain.

16 (6) "Consume" includes the putting of liquor to any use, whether by
17 drinking or otherwise.

18 (7) "Dentist" means a practitioner of dentistry duly and regularly
19 licensed and engaged in the practice of his or her profession within
20 the state pursuant to chapter 18.32 RCW.

21 (8) "Director" means the director of the liquor control board.

22 (9) "Distiller" means a person engaged in the business of
23 distilling spirits.

24 ~~((+9))~~ (10) "Druggist" means any person who holds a valid
25 certificate and is a registered pharmacist and is duly and regularly
26 engaged in carrying on the business of pharmaceutical chemistry
27 pursuant to chapter 18.64 RCW.

28 ~~((+10))~~ (11) "Drug store" means a place whose principal business
29 is ~~((+))~~ the sale of drugs, medicines, and pharmaceutical preparations

1 and maintains a regular prescription department and employs a
2 registered pharmacist during all hours the drug store is open.

3 ~~((11))~~ (12) "Employee" means any person employed by the board,
4 including a vendor, as hereinafter in this section defined.

5 ~~((12))~~ (13) "Fund" means 'liquor revolving fund.'

6 ~~((13))~~ (14) "Hotel" means every building or other structure kept,
7 used, maintained, advertised or held out to the public to be a place
8 where food is served and sleeping accommodations are offered for pay to
9 transient guests, in which twenty or more rooms are used for the
10 sleeping accommodation of such transient guests and having one or more
11 dining rooms where meals are served to such transient guests, such
12 sleeping accommodations and dining rooms being conducted in the same
13 building and buildings, in connection therewith, and such structure or
14 structures being provided, in the judgment of the board, with adequate
15 and sanitary kitchen and dining room equipment and capacity, for
16 preparing, cooking and serving suitable food for its guests: PROVIDED
17 FURTHER, That in cities and towns of less than five thousand
18 population, the board shall have authority to waive the provisions
19 requiring twenty or more rooms.

20 ~~((14))~~ (15) "Imprisonment" means confinement in the county jail.

21 ~~((15))~~ (16) "Liquor" includes the four varieties of liquor herein
22 defined (alcohol, spirits, wine and beer), and all fermented,
23 spirituous, vinous, or malt liquor, or combinations thereof, and mixed
24 liquor, a part of which is fermented, spirituous, vinous or malt
25 liquor, or otherwise intoxicating; and every liquid or solid or
26 semisolid or other substance, patented or not, containing alcohol,
27 spirits, wine or beer, and all drinks or drinkable liquids and all
28 preparations or mixtures capable of human consumption, and any liquid,
29 semisolid, solid, or other substance, which contains more than one
30 percent of alcohol by weight shall be conclusively deemed to be

1 intoxicating. Liquor does not include confections or food products that
2 contain one percent or less of alcohol by weight.

3 ~~((16))~~ (17) "Manufacturer" means a person engaged in the
4 preparation of liquor for sale, in any form whatsoever.

5 ~~((17))~~ (18) "Malt beverage" or "malt liquor" means any beverage
6 such as beer, ale, lager beer, stout, and porter obtained by the
7 alcoholic fermentation of an infusion or decoction of pure hops, or
8 pure extract of hops and pure barley malt or other wholesome grain or
9 cereal in pure water containing not more than eight percent of alcohol
10 by weight, and not less than one-half of one percent of alcohol by
11 volume. For the purposes of this title, any such beverage containing
12 more than eight percent of alcohol by weight shall be referred to as
13 "strong beer."

14 ~~((18))~~ (19) "Members of the liquor control board" or "members of
15 the board" means the entity established by RCW 66.08.012 to adopt rules
16 and carry out other duties specified in this title.

17 (20) "Package" means any container or receptacle used for holding
18 liquor.

19 ~~((19))~~ (21) "Permit" means a permit for the purchase of liquor
20 under this title.

21 ~~((20))~~ (22) "Person" means an individual, copartnership,
22 association, or corporation.

23 ~~((21))~~ (23) "Physician" means a medical practitioner duly and
24 regularly licensed and engaged in the practice of his or her profession
25 within the state pursuant to chapter 18.71 RCW.

26 ~~((22))~~ (24) "Prescription" means a memorandum signed by a
27 physician and given by him or her to a patient for the obtaining of
28 liquor pursuant to this title for medicinal purposes.

29 ~~((23))~~ (25) "Public place" includes streets and alleys of
30 incorporated cities and towns; state or county or township highways or

1 roads; buildings and grounds used for school purposes; public dance
2 halls and grounds adjacent thereto; those parts of establishments where
3 beer may be sold under this title, soft drink establishments, public
4 buildings, public meeting halls, lobbies, halls and dining rooms of
5 hotels, restaurants, theatres, stores, garages and filling stations
6 which are open to and are generally used by the public and to which the
7 public is permitted to have unrestricted access; railroad trains,
8 stages, and other public conveyances of all kinds and character, and
9 the depots and waiting rooms used in conjunction therewith which are
10 open to unrestricted use and access by the public; publicly owned
11 bathing beaches, parks, and/or playgrounds; and all other places of
12 like or similar nature to which the general public has unrestricted
13 right of access, and which are generally used by the public.

14 ~~((24))~~ (26) "Regulations" or "rules" means ~~((regulations made))~~
15 rules adopted pursuant to chapter 34.05 RCW by the members of the board
16 under the powers conferred by this title.

17 ~~((25))~~ (27) "Restaurant" means any establishment provided with
18 special space and accommodations where, in consideration of payment,
19 food, without lodgings, is habitually furnished to the public, not
20 including drug stores and soda fountains.

21 ~~((26))~~ (28) "Sale" and "sell" include exchange, barter, and
22 traffic; and also include the selling or supplying or distributing, by
23 any means whatsoever, of liquor, or of any liquid known or described as
24 beer or by any name whatever commonly used to describe malt or brewed
25 liquor or of wine, by any person to any person; and also include a sale
26 or selling within the state to a foreign consignee or his or her agent
27 in the state.

28 ~~((27))~~ (29) "Soda fountain" means a place especially equipped
29 with apparatus for the purpose of dispensing soft drinks, whether mixed
30 or otherwise.

1 (~~(28)~~) (30) "Spirits" means any beverage which contains alcohol
2 obtained by distillation, including wines exceeding twenty-four percent
3 of alcohol by volume.

4 (~~(29)~~) (31) "Store" means a state liquor store established under
5 this title.

6 (~~(30)~~) (32) "Tavern" means any establishment with special space
7 and accommodation for sale by the glass and for consumption on the
8 premises, of beer, as herein defined.

9 (~~(31)~~) (33) "Vendor" means a person employed by the board as a
10 store manager under this title.

11 (~~(32)~~) (34) "Winery" means a business conducted by any person for
12 the manufacture of wine for sale, other than a domestic winery.

13 (~~(33)~~) (35) "Domestic winery" means a place where wines are
14 manufactured or produced within the state of Washington.

15 (~~(34)~~) (36) "Wine" means any alcoholic beverage obtained by
16 fermentation of fruits (grapes, berries, apples, et cetera) or other
17 agricultural product containing sugar, to which any saccharine
18 substances may have been added before, during or after fermentation,
19 and containing not more than twenty-four percent of alcohol by volume,
20 including sweet wines fortified with wine spirits, such as port,
21 sherry, muscatel and angelica, not exceeding twenty-four percent of
22 alcohol by volume and not less than one-half of one percent of alcohol
23 by volume. For purposes of this title, any beverage containing less
24 than fourteen percent of alcohol by volume when bottled or packaged by
25 the manufacturer shall be referred to as "table wine," and any beverage
26 containing alcohol in an amount equal to or more than fourteen percent
27 by volume when bottled or packaged by the manufacturer shall be
28 referred to as "fortified wine." However, "fortified wine" shall not
29 include: (a) Wines that are both sealed or capped by cork closure and
30 aged two years or more; and (b) wines that contain fourteen percent or

1 more alcohol by volume solely as a result of the natural fermentation
2 process and that have not been produced with the addition of wine
3 spirits, brandy, or alcohol.

4 This subsection shall not be interpreted to require that any wine
5 be labeled with the designation "table wine" or "fortified wine."

6 ~~((35))~~ (37) "Beer wholesaler" means a person who buys beer from
7 a brewer or brewery located either within or beyond the boundaries of
8 the state for the purpose of selling the same pursuant to this title,
9 or who represents such brewer or brewery as agent.

10 ~~((36))~~ (38) "Wine wholesaler" means a person who buys wine from
11 a vintner or winery located either within or beyond the boundaries of
12 the state for the purpose of selling the same not in violation of this
13 title, or who represents such vintner or winery as agent.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 66.08 RCW
15 to read as follows:

16 There shall be an agency of state government known as the
17 "Washington state liquor control board."

18 **Sec. 3.** RCW 66.08.012 and 1961 c 307 s 7 are each amended to read
19 as follows:

20 ~~((There shall be a board, known as the "Washington state liquor
21 control board," consisting))~~ The members of the liquor control board
22 shall consist of three members, to be appointed by the governor, with
23 the consent of the senate, who shall each be ~~((paid an annual salary to~~
24 ~~be fixed by the governor in accordance with the provisions of RCW~~
25 ~~43.03.040))~~ compensated in accordance with RCW 43.03.250 and shall be
26 reimbursed for travel expenses in accordance with RCW 43.03.050 and
27 43.03.060. The governor may, in his or her discretion, appoint one of
28 the members as ~~((chairman))~~ chair of the board, and a majority of the

1 members shall constitute a quorum of the board. The board shall meet
2 once a month or at such times as the chair may designate.

3 **Sec. 4.** RCW 66.08.014 and 1986 c 105 s 1 are each amended to read
4 as follows:

5 (1) The members of the board to be appointed after December 2,
6 1948, shall be appointed for terms beginning January 15, 1949, and
7 expiring as follows: One member of the board for a term of three years
8 from January 15, 1949; one member of the board for a term of six years
9 from January 15, 1949; and one member of the board for a term of nine
10 years from January 15, 1949. Each of the members of the board
11 appointed hereunder shall hold office until his or her successor is
12 appointed and qualified. After June 11, 1986, the term that began on
13 January 15, 1985, will end on January 15, 1989, the term beginning on
14 January 15, 1988, will end on January 15, 1993, and the term beginning
15 on January 15, 1991, will end on January 15, 1997. Thereafter, upon
16 the expiration of the term of any member appointed after June 11, 1986,
17 each succeeding member of the board shall be appointed and hold office
18 for the term of six years. The unexpired terms of board members
19 serving on the effective date of this act shall be completed by members
20 appointed to serve part time after the effective date of this act. In
21 case of a vacancy, it shall be filled by appointment by the governor
22 for the unexpired portion of the term in which said vacancy occurs. No
23 vacancy in the membership of the board shall impair the right of the
24 remaining member or members to act, except as herein otherwise
25 provided.

26 (2) The principal office of the board shall be at the state
27 capitol, and it may establish such other offices as it may deem
28 necessary.

1 (3) Any member of the board may be removed for inefficiency,
2 malfeasance or misfeasance in office, upon specific written charges
3 filed by the governor, who shall transmit such written charges to the
4 member accused and to the chief justice of the supreme court. The
5 chief justice shall thereupon designate a tribunal composed of three
6 judges of the superior court to hear and adjudicate the charges. Such
7 tribunal shall fix the time of the hearing, which shall be public, and
8 the procedure for the hearing, and the decision of such tribunal shall
9 be final and not subject to review by the supreme court. Removal of
10 any member of the board by the tribunal shall disqualify such member
11 for reappointment.

12 (4) Each member of the board shall (~~devote his entire time to the~~
13 ~~duties of his office~~) serve part time and no member of the board shall
14 hold any other public office. Before entering upon the duties of his or
15 her office, each of (~~said~~) the members of the board shall enter into
16 a surety bond executed by a surety company authorized to do business in
17 this state, payable to the state of Washington, to be approved by the
18 governor in the penal sum of fifty thousand dollars conditioned upon
19 the faithful performance of his or her duties, and shall take and
20 subscribe to the oath of office prescribed for elective state officers,
21 which oath and bond shall be filed with the secretary of state. The
22 premium for (~~said~~) the bond shall be paid by the board.

23 **Sec. 5.** RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended to
24 read as follows:

25 The executive head and appointing authority of the board shall be
26 the director. The director shall be appointed by, and serve at the
27 pleasure of, the governor. The appointment of the director shall be
28 subject to confirmation by the senate. The director shall be paid a
29 salary to be fixed by the governor in accordance with RCW 43.03.040.

1 The director shall have management experience in a public agency and a
2 business enterprise.

3 The administration of this title, including the general control,
4 management, and supervision of all liquor stores, shall be vested in
5 the (~~liquor control board, constituted under this title~~) director.

6 In addition to any other powers granted the director, the director
7 shall have the following powers and duties as may be necessary to carry
8 out the purposes of this title:

9 (1) Supervise and administer the operations of the board in
10 accordance with the provisions of this title and the rules adopted by
11 the members of the board;

12 (2) Appoint personnel and prescribe their duties;

13 (3) Enter into contracts on behalf of the board;

14 (4) Accept and expend donations, grants, or other funds;

15 (5) Delegate powers, duties, and functions of the board to
16 employees of the board as the director deems necessary to ensure
17 efficient administration;

18 (6) Appoint advisory committees and undertake studies, research,
19 and analysis necessary to support activities of the board; and

20 (7) Perform such other duties as are consistent with this title.

21 **Sec. 6.** RCW 66.08.028 and 1987 c 505 s 56 are each amended to read
22 as follows:

23 The (~~board~~) director shall, from time to time, make reports to
24 the governor covering such matters in connection with the
25 administration and enforcement of this title as the governor may
26 require, and, subject to RCW 40.07.040, the (~~board~~) director shall
27 prepare and forward to the governor biennially, to be laid before the
28 legislature, a report for the fiscal period containing:

1 (1) A financial statement and balance sheet showing in general the
2 condition of the business and its operation during the year;

3 (2) A summary of all prosecutions for infractions and the results
4 thereof;

5 (3) General information and remarks; and

6 (4) Any further information requested by the governor.

7 **Sec. 7.** RCW 66.08.030 and 1977 ex.s. c 115 s 1 are each amended to
8 read as follows:

9 (1) For the purpose of carrying into effect the provisions of this
10 title according to their true intent or of supplying any deficiency
11 therein, the members of the board may make such ~~((regulations))~~ rules
12 not inconsistent with the spirit of this title as are deemed necessary
13 or advisable. All ~~((regulations))~~ rules so made shall be a public
14 record and shall be filed in the office of the code reviser, and
15 thereupon shall have the same force and effect as if incorporated in
16 this title. Such ~~((regulations))~~ rules, together with a copy of this
17 title, shall be published in pamphlets and shall be distributed as
18 directed by the board.

19 (2) Without thereby limiting the generality of the provisions
20 contained in subsection (1) of this section, it is declared that the
21 power of the members of the board to make ~~((regulations))~~ rules in the
22 manner set out in that subsection shall extend to:

23 ~~((regulating the equipment and management of stores and~~
24 ~~warehouses in which state liquor is sold or kept, and prescribing the~~
25 ~~books and records to be kept therein and the reports to be made thereon~~
26 ~~to the board;~~

27 ~~((b) prescribing the duties of the employees of the board, and~~
28 ~~regulating their conduct in the discharge of their duties;~~

1 ~~(e))~~ Governing the purchase of liquor by the state and the
2 furnishing of liquor to stores established under this title;

3 ~~((d))~~ (b) Determining the classes, varieties, and brands of
4 liquor to be kept for sale at any store;

5 ~~((e))~~ (c) Prescribing, subject to RCW 66.16.080, the hours during
6 which the state liquor stores shall be kept open for the sale of
7 liquor;

8 ~~((f))~~ (d) Providing for the issuing and distributing of price
9 lists showing the price to be paid by purchasers for each variety of
10 liquor kept for sale under this title;

11 ~~((g))~~ (e) Prescribing an official seal and official labels and
12 stamps and determining the manner in which they shall be attached to
13 every package of liquor sold or sealed under this title, including the
14 prescribing of different official seals or different official labels
15 for different classes of liquor;

16 ~~((h))~~ (f) Providing for the payment by the board in whole or in
17 part of the carrying charges on liquor shipped by freight or express;

18 ~~((i))~~ (g) Prescribing forms to be used for purposes of this title
19 or the ~~((regulations))~~ rules, and the terms and conditions to be
20 contained in permits and licenses issued under this title;

21 ~~((j))~~ (h) Prescribing the fees payable in respect of permits and
22 licenses issued under this title for which no fees are prescribed in
23 this title, and prescribing the fees for anything done or permitted to
24 be done under the ~~((regulations))~~ rules;

25 ~~((k))~~ (i) Prescribing the kinds and quantities of liquor which
26 may be kept on hand by the holder of a special permit for the purposes
27 named in the permit, regulating the manner in which the same shall be
28 kept and disposed of, and providing for the inspection of the same at
29 any time at the instance of the board;

1 ~~((l))~~ (j) Regulating the sale of liquor kept by the holders of
2 licenses which entitle the holder to purchase and keep liquor for sale;

3 ~~((m))~~ (k) Prescribing the records of purchases or sales of liquor
4 kept by the holders of licenses, and the reports to be made thereon to
5 the board, and providing for inspection of the records so kept;

6 ~~((n))~~ (l) Prescribing the kinds and quantities of liquor for
7 which a prescription may be given, and the number of prescriptions
8 which may be given to the same patient within a stated period;

9 ~~((o))~~ (m) Prescribing the manner of giving and serving notices
10 required by this title or the ~~((regulations))~~ rules, where not
11 otherwise provided for in this title;

12 ~~((p))~~ (n) Regulating premises in which liquor is kept for export
13 from the state, or from which liquor is exported, prescribing the books
14 and records to be kept therein and the reports to be made thereon to
15 the board, and providing for the inspection of the premises and the
16 books, records, and the liquor so kept;

17 ~~((q))~~ (o) Prescribing the conditions and qualifications requisite
18 for the obtaining of club licenses and the books and records to be kept
19 and the returns to be made by clubs, prescribing the manner of
20 licensing clubs in any municipality or other locality, and providing
21 for the inspection of clubs;

22 ~~((r))~~ (p) Prescribing the conditions, accommodations, and
23 qualifications requisite for the obtaining of licenses to sell beer and
24 wines, and regulating the sale of beer and wines thereunder;

25 ~~((s))~~ (q) Specifying and regulating the time and periods when,
26 and the manner, methods, and means by which manufacturers shall deliver
27 liquor within the state; and the time and periods when, and the manner,
28 methods, and means by which liquor may lawfully be conveyed or carried
29 within the state;

1 (~~(t)~~) (r) Providing for the making of returns by brewers of their
2 sales of beer shipped within the state, or from the state, showing the
3 gross amount of such sales and providing for the inspection of brewers'
4 books and records, and for the checking of the accuracy of any such
5 returns;

6 (~~(u)~~) (s) Providing for the making of returns by the wholesalers
7 of beer whose breweries are located beyond the boundaries of the state;

8 (~~(v)~~) (t) Providing for the making of returns by any other liquor
9 manufacturers, showing the gross amount of liquor produced or
10 purchased, the amount sold within and exported from the state, and to
11 whom so sold or exported, and providing for the inspection of the
12 premises of any such liquor manufacturers, their books and records, and
13 for the checking of any such return;

14 (~~(w)~~) (u) Providing for the giving of fidelity bonds by any or
15 all of the employees of the board: PROVIDED, That the premiums
16 therefor shall be paid by the board;

17 (~~(x)~~) (v) Providing for the shipment by mail or common carrier of
18 liquor to any person holding a permit and residing in any unit which
19 has, by election pursuant to this title, prohibited the sale of liquor
20 therein;

21 (~~(y)~~) (w) Prescribing methods of manufacture, conditions of
22 sanitation, standards of ingredients, quality, and identity of
23 alcoholic beverages manufactured, sold, bottled, or handled by
24 licensees and the board; and conducting from time to time, in the
25 interest of the public health and general welfare, scientific studies
26 and research relating to alcoholic beverages and the use and effect
27 thereof;

28 (~~(z)~~) (x) Seizing, confiscating, and destroying all alcoholic
29 beverages manufactured, sold, or offered for sale within this state
30 which do not conform in all respects to the standards prescribed by

1 this title or the (~~regulations~~) rules of the board: PROVIDED,
2 Nothing herein contained shall be construed as authorizing the liquor
3 board to prescribe, alter, limit, or in any way change the present law
4 as to the quantity or percentage of alcohol used in the manufacturing
5 of wine or other alcoholic beverages.

6 **Sec. 8.** RCW 66.08.050 and 1986 c 214 s 2 are each amended to read
7 as follows:

8 (1) The members of the board, subject to the provisions of this
9 title and the (~~regulations~~) rules, shall:

10 (~~(1)~~) (a) Determine the localities within which state liquor
11 stores shall be established throughout the state, and the number and
12 situation of the stores within each locality;

13 (~~(2)~~) (b) Appoint in cities and towns and other communities, in
14 which no state liquor store is located, liquor vendors. Such liquor
15 vendors shall be agents of the board and be authorized to sell liquor
16 to such persons, firms, or corporations as provided for the sale of
17 liquor from a state liquor store, and such vendors shall be subject to
18 such additional rules (~~and regulations~~) consistent with this title as
19 the board may require; and

20 (c) Determine the nature, form, and capacity of all packages to be
21 used for containing liquor kept for sale under this title.

22 (2) The director, subject to the provisions of this title and the
23 rules, shall:

24 (~~(3)~~) (a) Establish all necessary warehouses for the storing and
25 bottling, diluting, and rectifying of stocks of liquors for the
26 purposes of this title;

27 (~~(4)~~) (b) Provide for the leasing for periods not to exceed ten
28 years of all premises required for the conduct of the business; and for
29 remodeling the same, and the procuring of their furnishings, fixtures,

1 and supplies; and for obtaining options of renewal of such leases by
2 the lessee. The terms of such leases in all other respects shall be
3 ~~((subject to the direction of the board;~~

4 ~~(5) determine the nature, form and capacity of all packages to be
5 used for containing liquor kept for sale under this title;~~

6 ~~(6))~~ determined by the director;

7 (c) Grant or deny licenses and permits;

8 (d) Execute or cause to be executed, all contracts, papers, and
9 documents in the name of the board, under such ~~((regulations))~~ rules as
10 the members of the board may fix;

11 ~~((7))~~ (e) Pay all customs, duties, excises, charges, and
12 obligations whatsoever relating to the business of the board;

13 ~~((8))~~ (f) Require bonds from all employees in the discretion of
14 the board, and to determine the amount of fidelity bond of each such
15 employee;

16 ~~((9))~~ (g) Perform services for the state lottery commission to
17 such extent, and for such compensation, as may be mutually agreed upon
18 between the ~~((board))~~ director and the commission;

19 ~~((10))~~ (h) Perform all other matters and things, whether similar
20 to the foregoing or not, to carry out the provisions of this title, and
21 shall have full power to do each and every act necessary to the conduct
22 of ~~((its))~~ the board's business, including all buying, selling,
23 preparation and approval of forms, and every other function of the
24 business whatsoever, subject only to audit by the state auditor:
25 PROVIDED, That the board shall have no authority to regulate the
26 content of spoken language on licensed premises where wine and other
27 liquors are served and where there is not a clear and present danger of
28 disorderly conduct being provoked by such language;

29 (i) Prepare, update, and execute an integrated liquor control plan
30 that includes, but is not limited to, the following elements:

1 (i) A program to achieve efficiencies and ensure operational
2 integration of regulatory, merchandising, and administrative services;
3 (ii) A program of public and consumer information and coordination
4 with other public agencies and private organizations that emphasizes
5 alcohol abuse prevention and responsible consumption; and
6 (iii) A strategy for implementation of the plan; and
7 (j) Regulate the equipment and management of stores and warehouses
8 in which state liquor is sold or kept, and prescribe the books and
9 records to be kept and the reports to be made.

10 **Sec. 9.** RCW 66.08.070 and 1985 c 226 s 2 are each amended to read
11 as follows:

12 (1) Every order for the purchase of liquor shall be authorized by
13 the ~~((board))~~ director, and no order for liquor shall be valid or
14 binding unless it is so authorized and signed by the ~~((board or its))~~
15 director or the director's authorized designee.

16 (2) A duplicate of every such order shall be kept on file in the
17 office of the ~~((board))~~ director.

18 (3) All cancellations of such orders made by the ~~((board))~~ director
19 shall be signed in the same manner and duplicates thereof kept on file
20 in the office of the ~~((board))~~ director. Nothing in this title shall
21 be construed as preventing the ~~((board))~~ director from accepting liquor
22 on consignment.

23 (4) In the purchase of wine or malt beverages the ~~((board))~~
24 director shall not require, as a term or condition of purchase, any
25 warranty or affirmation with respect to the relationship of the price
26 charged the board to any price charged any other buyer.

27 **Sec. 10.** RCW 66.08.130 and 1981 1st ex.s. c 5 s 4 are each amended
28 to read as follows:

1 For the purpose of obtaining information concerning any matter
2 relating to the administration or enforcement of this title, the
3 (~~board~~) director, or any person appointed by (~~it~~) the director in
4 writing for the purpose, may inspect the books and records of

5 (1) any manufacturer;

6 (2) any license holder;

7 (3) any drug store holding a permit to sell on prescriptions;

8 (4) the freight and express books and records and all waybills,
9 bills of lading, receipts and documents in the possession of any common
10 carrier doing business within the state, containing any information or
11 record relating to any goods shipped or carried, or consigned or
12 received for shipment or carriage within the state. Every
13 manufacturer, license holder, drug store holding a permit to sell on
14 prescriptions, and common carrier, and every owner or officer or
15 employee of the foregoing, who neglects or refuses to produce and
16 submit for inspection any book, record or document referred to in this
17 section when requested to do so by the (~~board~~) director or by a
18 person so appointed by (~~it~~) the director shall be guilty of a
19 violation of this title.

20 **Sec. 11.** RCW 66.08.140 and 1945 c 48 s 1 are each amended to read
21 as follows:

22 For the purpose of obtaining information concerning any matter
23 relating to the administration or enforcement of this title, the
24 (~~board~~) director, or any person appointed by (~~it~~) the director in
25 writing for the purpose, may inspect the books, documents and records
26 of any person lending money to or in any manner financing any license,
27 holder or applicant for license insofar as such books, documents and/or
28 records pertain to the financial transaction involved. Every person
29 who neglects or refuses to produce and submit for inspection any book,

1 record or document as required by this section when requested to do so
2 by the ((board)) director or by a person duly appointed by ((it)) the
3 director shall be guilty of a violation of this title.

4 **Sec. 12.** RCW 66.08.150 and 1989 c 175 s 122 are each amended to
5 read as follows:

6 The action, order, or decision of the ((board)) director as to any
7 denial of an application for the reissuance of a permit or license or
8 as to any revocation, suspension, or modification of any permit or
9 license shall be an adjudicative proceeding and subject to the
10 applicable provisions of chapter 34.05 RCW. The final decision in any
11 adjudicative proceeding commenced pursuant to this section or chapter
12 34.05 RCW shall be made by the members of the board.

13 (1) An opportunity for a hearing may be provided an applicant for
14 the reissuance of a permit or license prior to the disposition of the
15 application, and if no such opportunity for a prior hearing is provided
16 then an opportunity for a hearing to reconsider the application must be
17 provided the applicant.

18 (2) An opportunity for a hearing must be provided a permittee or
19 licensee prior to a revocation or modification of any permit or license
20 and, except as provided in subsection (4) of this section, prior to the
21 suspension of any permit or license.

22 (3) No hearing shall be required until demanded by the applicant,
23 permittee, or licensee.

24 (4) The ((board)) director may summarily suspend a license or
25 permit for a period of up to thirty days without a prior hearing if
26 ((it)) the director finds that public health, safety, or welfare
27 imperatively require emergency action, and incorporates a finding to
28 that effect in its order; and proceedings for revocation or other
29 action must be promptly instituted and determined.

1 **Sec. 13.** RCW 66.08.170 and 1961 ex.s. c 6 s 1 are each amended to
2 read as follows:

3 There shall be a fund, known as the "liquor revolving fund", which
4 shall consist of all license fees, permit fees, penalties, forfeitures,
5 and all other moneys, income, or revenue received by the board. The
6 state treasurer shall be custodian of the fund. All moneys received by
7 the board or any employee thereof, except for change funds and an
8 amount of petty cash as fixed by the board within the authority of law
9 shall be deposited each day in a depository approved by the state
10 treasurer and transferred to the state treasurer to be credited to the
11 liquor revolving fund. Disbursements from the revolving fund shall be
12 on authorization of the ((board)) director or a duly authorized
13 representative thereof. In order to maintain an effective expenditure
14 and revenue control the liquor revolving fund shall be subject in all
15 respects to chapter 43.88 RCW but no appropriation shall be required to
16 permit expenditures and payment of obligations from such fund.

17 **Sec. 14.** RCW 66.08.180 and 1987 c 458 s 10 are each amended to
18 read as follows:

19 Moneys in the liquor revolving fund shall be distributed by the
20 ((board)) director at least once every three months in accordance with
21 RCW 66.08.190, 66.08.200, and 66.08.210: PROVIDED, That the ((board))
22 director shall reserve from distribution such amount not exceeding five
23 hundred thousand dollars as may be necessary for the proper
24 administration of this title: AND PROVIDED FURTHER, That all license
25 fees, penalties, and forfeitures derived under this act from class H
26 licenses or class H licensees shall every three months be disbursed by
27 the ((board)) director as follows:

1 (1) 5.95 percent to the University of Washington and 3.97 percent
2 to Washington State University for alcoholism and drug abuse research
3 and for the dissemination of such research;

4 (2) 1.75 percent, but in no event less than one hundred fifty
5 thousand dollars per biennium, to the University of Washington to
6 conduct the state toxicological laboratory pursuant to RCW
7 (~~68.08.107~~) 68.50.107;

8 (3) 88.33 percent to the general fund to be used by the department
9 of social and health services solely to carry out the purposes of RCW
10 70.96.085, as now or hereafter amended;

11 (4) The first fifty-five dollars per license fee provided in RCW
12 66.24.320 and 66.24.330 up to a maximum of one hundred fifty thousand
13 dollars annually shall be disbursed every three months by the (~~board~~)
14 director to the general fund to be used for juvenile alcohol and drug
15 prevention programs for kindergarten through third grade to be
16 administered by the superintendent of public instruction;

17 (5) Twenty percent of the remaining total amount derived from
18 license fees pursuant to RCW 66.24.320, 66.24.330, 66.24.340,
19 66.24.350, 66.24.360, and 66.24.370, shall be transferred to the
20 general fund to be used by the department of social and health services
21 solely to carry out the purposes of RCW 70.96.085; and

22 (6) One-fourth cent per liter of the tax imposed by RCW 66.24.210
23 shall every three months be disbursed by the (~~board~~) director to
24 Washington State University solely for wine and wine grape research,
25 extension programs related to wine and wine grape research, and
26 resident instruction in both wine grape production and the processing
27 aspects of the wine industry in accordance with RCW 28B.30.068. The
28 director of financial management shall prescribe suitable accounting
29 procedures to ensure that the funds transferred to the general fund to

1 be used by the department of social and health services and
2 appropriated are separately accounted for.

3 **Sec. 15.** RCW 66.08.220 and 1949 c 5 s 11 are each amended to read
4 as follows:

5 The ((~~board~~)) director shall set aside in a separate account in the
6 liquor revolving fund an amount equal to ten percent of its gross sales
7 of liquor to class H licensees; and the moneys in said separate account
8 shall be distributed in accordance with the provisions of RCW
9 66.08.190, 66.08.200, and 66.08.210: PROVIDED, HOWEVER, That no
10 election unit in which the sale of liquor under class H licenses is
11 unlawful shall be entitled to share in the distribution of moneys from
12 such separate account.

13 **Sec. 16.** RCW 66.12.140 and 1982 c 85 s 8 are each amended to read
14 as follows:

15 (1) Nothing in this title shall prevent the use of beer, wine,
16 and/or spirituous liquor, for cooking purposes only, in conjunction
17 with a culinary or restaurant course offered by a college, university,
18 community college, area vocational technical institute, or private
19 vocational school. Further, nothing in this title shall prohibit the
20 making of beer or wine in food fermentation courses offered by a
21 college, university, community college, area vocational technical
22 institute, or private vocational school.

23 (2) "Culinary or restaurant course" as used in this section means
24 a course of instruction which includes practical experience in food
25 preparation under the supervision of an instructor who is twenty-one
26 years of age or older.

27 (3) Persons under twenty-one years of age participating in culinary
28 or restaurant courses may handle beer, wine, or spirituous liquor for

1 purposes of participating in the courses, but nothing in this section
2 shall be construed to authorize consumption of liquor by persons under
3 twenty-one years of age or to authorize possession of liquor by persons
4 under twenty-one years of age at any time or place other than while
5 preparing food under the supervision of the course instructor.

6 (4) Beer, wine, and/or spirituous liquor to be used in culinary or
7 restaurant courses shall be purchased at retail from the board or a
8 retailer licensed under this title. All such liquor shall be securely
9 stored in the food preparation area and shall not be displayed in an
10 area open to the general public.

11 (5) Colleges, universities, community colleges, area vocational
12 technical institutes, and private vocational schools shall obtain the
13 prior written approval of the (~~board~~) director for use of beer, wine,
14 and/or spirituous liquor for cooking purposes in their culinary or
15 restaurant courses.

16 **Sec. 17.** RCW 66.16.010 and 1939 c 172 s 10 are each amended to
17 read as follows:

18 (1) There shall be established at such places throughout the state
19 as the (~~liquor control~~) board(~~(, constituted under this title,)~~)
20 shall deem advisable, stores to be known as "state liquor stores," for
21 the sale of liquor in accordance with the provisions of this title and
22 the regulations: PROVIDED, That the prices of all liquor shall be fixed
23 by the (~~board~~) director from time to time so that the net annual
24 revenue received (~~by the board~~) therefrom shall not exceed thirty-
25 five percent.

26 (2) The (~~liquor control board~~) director may, from time to time,
27 fix the special price at which pure ethyl alcohol may be sold to
28 physicians and dentists and institutions regularly conducted as
29 hospitals, for use or consumption only in such hospitals; and may also

1 fix the special price at which pure ethyl alcohol may be sold to
2 schools, colleges, and universities within the state for use for
3 scientific purposes. Regularly conducted hospitals may have right to
4 purchase pure ethyl alcohol on a federal permit.

5 (3) The (~~liquor control board~~) director may also fix the special
6 price at which pure ethyl alcohol may be sold to any department,
7 branch, or institution of the state of Washington, federal government,
8 or to any person engaged in a manufacturing or industrial business or
9 in scientific pursuits requiring alcohol for use therein.

10 (4) The (~~liquor control board~~) director may also fix a special
11 price at which pure ethyl alcohol may be sold to any private
12 individual, and the board shall make (~~regulations~~) rules governing
13 such sale of alcohol to private individuals as shall promote, as nearly
14 as may be, the minimum purchase of such alcohol by such persons.

15 **Sec. 18.** RCW 66.20.010 and 1984 c 78 s 6 and 1984 c 45 s 1 are
16 each reenacted and amended to read as follows:

17 Upon application in the prescribed form being made to any employee
18 authorized by the (~~board~~) director to issue permits, accompanied by
19 payment of the prescribed fee, and upon the employee being satisfied
20 that the applicant should be granted a permit under this title, the
21 employee shall issue to the applicant under such (~~regulations~~) rules
22 and at such fee as may be prescribed by the board a permit of the class
23 applied for, as follows:

24 (1) Where the application is for a special permit by a physician or
25 dentist, or by any person in charge of an institution regularly
26 conducted as a hospital or sanitorium for the care of persons in ill
27 health, or as a home devoted exclusively to the care of aged people, a
28 special liquor purchase permit;

1 (2) Where the application is for a special permit by a person
2 engaged within the state in mechanical or manufacturing business or in
3 scientific pursuits requiring alcohol for use therein, or by any
4 private individual, a special permit to purchase alcohol for the
5 purpose named in the permit;

6 (3) Where the application is for a special permit to consume liquor
7 at a banquet, at a specified date and place, a special permit to
8 purchase liquor for consumption at such banquet, to such applicants as
9 may be fixed by the ((board)) director;

10 (4) Where the application is for a special permit to consume liquor
11 on the premises of a business not licensed under this title, a special
12 permit to purchase liquor for consumption thereon for such periods of
13 time and to such applicants as may be fixed by the ((board)) director;

14 (5) Where the application is for a special permit by a manufacturer
15 to import or purchase within the state alcohol, malt, and other
16 materials containing alcohol to be used in the manufacture of liquor,
17 or other products, a special permit;

18 (6) Where the application is for a special permit by a person
19 operating a drug store to purchase liquor at retail prices only, to be
20 thereafter sold by such person on the prescription of a physician, a
21 special liquor purchase permit;

22 (7) Where the application is for a special permit by an authorized
23 representative of a military installation operated by or for any of the
24 armed forces within the geographical boundaries of the state of
25 Washington, a special permit to purchase liquor for use on such
26 military installation at prices to be fixed by the ((board)) director;

27 (8) Where the application is for a special permit by a
28 manufacturer, importer, wholesaler, or agent thereof, to serve liquor
29 without charge to delegates and guests at a convention of a trade
30 association composed of licensees of the board, when the said liquor is

1 served in a hospitality room or from a booth in a board-approved
2 suppliers' display room at the convention, and when the liquor so
3 served is for consumption in the said hospitality room or display room
4 during the convention, anything in Title 66 RCW to the contrary
5 notwithstanding. Any such spirituous liquor shall be purchased from
6 the board or a class H licensee and any such beer and wine shall be
7 subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

8 (9) Where the application is for a special permit by a
9 manufacturer, importer, wholesaler, or agent thereof, to donate liquor
10 for a reception, breakfast, luncheon, or dinner for delegates and
11 guests at a convention of a trade association composed of licensees of
12 the board, when the liquor so donated is for consumption at the said
13 reception, breakfast, luncheon, or dinner during the convention,
14 anything in Title 66 RCW to the contrary notwithstanding. Any such
15 spirituous liquor shall be purchased from the board or a class H
16 licensee and any such beer and wine shall be subject to the taxes
17 imposed by RCW 66.24.290 and 66.24.210;

18 (10) Where the application is for a special permit by a
19 manufacturer, importer, wholesaler, or agent thereof, to donate and/or
20 serve liquor without charge to delegates and guests at an international
21 trade fair, show, or exposition held under the auspices of a federal,
22 state, or local governmental entity or organized and promoted by a
23 nonprofit organization, anything in Title 66 RCW to the contrary
24 notwithstanding. Any such spirituous liquor shall be purchased from
25 the board and any such beer or wine shall be subject to the taxes
26 imposed by RCW 66.24.290 and 66.24.210;

27 (11) Where the application is for an annual special permit by a
28 person operating a bed and breakfast lodging facility to donate or
29 serve wine or beer without charge to overnight guests of the facility
30 if the wine or beer is for consumption on the premises of the facility.

1 "Bed and breakfast lodging facility," as used in this subsection, means
2 a hotel or similar facility offering from one to eight lodging units
3 and breakfast to travelers and guests.

4 **Sec. 19.** RCW 66.20.070 and 1933 ex.s. c 62 s 17 are each amended
5 to read as follows:

6 Where the holder of any permit issued under this title violates any
7 provision of this title or of the ~~((regulations))~~ rules, or is an
8 interdicted person, or is otherwise disqualified from holding a permit,
9 the ~~((board))~~ director, upon proof to ~~((its))~~ his or her satisfaction
10 of the fact or existence of such violation, interdiction, or
11 disqualification, and in ~~((its))~~ his or her discretion, may with or
12 without any hearing, suspend the permit and all rights of the holder
13 thereunder for such period as the ~~((board))~~ director sees fit, or may
14 cancel the permit.

15 **Sec. 20.** RCW 66.20.080 and 1933 ex.s. c 62 s 18 are each amended
16 to read as follows:

17 Upon receipt of notice of the suspension or cancellation of his or
18 her permit, the holder of the permit shall forthwith deliver up the
19 permit to the ~~((board))~~ director. Where the permit has been suspended
20 only, the ~~((board))~~ director shall return the permit to the holder at
21 the expiration or termination of the period of suspension. Where the
22 permit has been suspended or canceled, no employee shall knowingly
23 issue to the person whose permit is suspended or canceled a permit
24 under this title until the end of the period of suspension or within
25 the period of one year from the date of cancellation.

26 **Sec. 21.** RCW 66.24.010 and 1988 c 200 s 1 are each amended to read
27 as follows:

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

3 (2) For the purpose of considering any application for a license,
4 the ((~~board~~)) director may cause an inspection of the premises to be
5 made, and may inquire into all matters in connection with the
6 construction and operation of the premises. For the purpose of
7 reviewing any application for a license and for considering the denial,
8 suspension, or revocation of any license, the ((~~liquor control board~~))
9 director may consider any prior criminal conduct of the applicant and
10 the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply
11 to such cases. The ((~~board~~)) director may, in ((~~its~~)) his or her
12 discretion, grant or refuse the license applied for. No retail license
13 of any kind may be issued to:

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

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

19 (c) A person whose place of business is conducted by a manager or
20 agent, unless such manager or agent possesses the same qualifications
21 required of the licensee;

22 (d) A corporation, unless it was created under the laws of the
23 state of Washington or holds a certificate of authority to transact
24 business in the state of Washington.

25 (3) The ((~~board~~)) director may, in ((~~its~~)) his or her discretion,
26 subject to the provisions of RCW 66.08.150, suspend or cancel any
27 license; and all rights of the licensee to keep or sell liquor
28 thereunder shall be suspended or terminated, as the case may be. The
29 board may request the appointment of administrative law judges under
30 chapter 34.12 RCW who shall have power to administer oaths, issue

1 subpoenas for the attendance of witnesses and the production of papers,
2 books, accounts, documents, and testimony, examine witnesses, and to
3 receive testimony in any inquiry, investigation, hearing, or proceeding
4 in any part of the state, under such rules (~~and regulations~~) as the
5 board may adopt.

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

11 In case of disobedience of any person to comply with the order of
12 the board or a subpoena issued by the board, or any of its members, or
13 administrative law judges, or on the refusal of a witness to testify to
14 any matter regarding which (~~he~~) the witness may be lawfully
15 interrogated, the judge of the superior court of the county in which
16 the person resides, on application of any member of the board or
17 administrative law judge, shall compel obedience by contempt
18 proceedings, as in the case of disobedience of the requirements of a
19 subpoena issued from said court or a refusal to testify therein.

20 (4) Upon receipt of notice of the suspension or cancellation of a
21 license, the licensee shall forthwith deliver up the license to the
22 (~~board~~) director. Where the license has been suspended only, the
23 (~~board~~) director shall return the license to the licensee at the
24 expiration or termination of the period of suspension. The (~~board~~)
25 director shall notify all vendors in the city or place where the
26 licensee has its premises of the suspension or cancellation of the
27 license; and no employee may allow or cause any liquor to be delivered
28 to or for any person at the premises of that licensee.

29 (5) (a) At the time of the original issuance of a class H license,
30 the (~~board~~) director shall prorate the license fee charged to the new

1 licensee according to the number of calendar quarters, or portion
2 thereof, remaining until the first renewal of that license is required.

3 (b) Unless sooner canceled, every license issued by the ((board))
4 director shall expire at midnight of the thirtieth day of June of the
5 fiscal year for which it was issued. However, if the board deems it
6 feasible and desirable to do so, it may establish, by rule pursuant to
7 chapter 34.05 RCW, a system for staggering the annual renewal dates for
8 any and all licenses authorized by this chapter. If such a system of
9 staggered annual renewal dates is established by the board, the license
10 fees provided by this chapter shall be appropriately prorated during
11 the first year that the system is in effect.

12 (6) Every license issued under this section shall be subject to all
13 conditions and restrictions imposed by this title or by the
14 ((regulations)) rules in force from time to time. All conditions and
15 restrictions imposed by the ((board)) director in the issuance of an
16 individual license shall be listed on the face of the individual
17 license along with the trade name, address, and expiration date.

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

20 (8) Before the ((board)) director shall issue a license to an
21 applicant ((it)) the director shall give notice of such application to
22 the chief executive officer of the incorporated city or town, if the
23 application be for a license within an incorporated city or town, or to
24 the county legislative authority, if the application be for a license
25 outside the boundaries of incorporated cities or towns; and such
26 incorporated city or town, through the official or employee selected by
27 it, or the county legislative authority or the official or employee
28 selected by it, shall have the right to file with the ((board))
29 director within twenty days after date of transmittal of such notice,
30 written objections against the applicant or against the premises for

1 which the license is asked, and shall include with such objections a
2 statement of all facts upon which such objections are based, and in
3 case written objections are filed, may request and the liquor control
4 board may in its discretion hold a formal hearing subject to the
5 applicable provisions of Title 34 RCW, as now or hereafter amended.
6 Upon the granting of a license under this title the ((board)) director
7 shall send a duplicate of the license or written notification to the
8 chief executive officer of the incorporated city or town in which the
9 license is granted, or to the county legislative authority if the
10 license is granted outside the boundaries of incorporated cities or
11 towns.

12 (9) Before the ((board)) director issues any license to any
13 applicant, ((it)) the director shall give (a) due consideration to the
14 location of the business to be conducted under such license with
15 respect to the proximity of churches, schools, and public institutions
16 and (b) written notice by certified mail of the application to
17 churches, schools, and public institutions within five hundred feet of
18 the premises to be licensed. The ((board)) director shall issue no
19 beer retailer license class A, B, D, or E or wine retailer license
20 class C or F or class H license covering any premises not now licensed,
21 if such premises are within five hundred feet of the premises of any
22 tax-supported public elementary or secondary school measured along the
23 most direct route over or across established public walks, streets, or
24 other public passageway from the outer property line of the school
25 grounds to the nearest public entrance of the premises proposed for
26 license, and if, after receipt by the school or public institution of
27 the notice as provided in this subsection, the ((board)) director
28 receives written notice, within twenty days after posting such notice,
29 from an official representative or representatives of the school within
30 five hundred feet of said proposed licensed premises, indicating to the

1 ((board)) director that there is an objection to the issuance of such
2 license because of proximity to a school. For the purpose of this
3 section, church shall mean a building erected for and used exclusively
4 for religious worship and schooling or other activity in connection
5 therewith. No liquor license may be issued or reissued by the ((board))
6 director to any motor sports facility or licensee operating within the
7 motor sports facility unless the motor sports facility enforces a
8 program reasonably calculated to prevent alcohol or alcoholic beverages
9 not purchased within the facility from entering the facility and such
10 program is approved by local law enforcement agencies. It is the
11 intent under this subsection that a retail license shall not be issued
12 by the ((board)) director where doing so would, in the judgment of the
13 ((board)) director, adversely affect a private school meeting the
14 requirements for private schools under Title 28A RCW, which school is
15 within five hundred feet of the proposed licensee. The ((board))
16 director shall fully consider and give substantial weight to objections
17 filed by private schools. If a license is issued despite the proximity
18 of a private school, the ((board)) director shall state in a letter
19 addressed to the private school the board's reasons for issuing the
20 license.

21 (10) The restrictions set forth in the preceding subsection shall
22 not prohibit the ((board)) director from authorizing the transfer of
23 existing licenses now located within the restricted area to other
24 persons or locations within the restricted area: PROVIDED, Such
25 transfer shall in no case result in establishing the licensed premises
26 closer to a church or school than it was before the transfer.

27 (11) Nothing in this section prohibits the ((board)) director, in
28 ((its)) his or her discretion, from issuing a temporary retail or
29 wholesaler license to a transferee of a retail or wholesaler license to
30 continue the operation of the retail or wholesaler premises during the

1 period a transfer application for the license from person to person at
2 the same premises is pending and when the following conditions exist:

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

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

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

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

13 A temporary license issued by the ((~~board~~)) director under this
14 section shall be for a period not to exceed sixty days. A temporary
15 license may be extended at the discretion of the ((~~board~~)) director for
16 an additional sixty-day period upon payment of an additional fee and
17 upon compliance with all conditions required in this section.

18 Refusal by the ((~~board~~)) director to issue or extend a temporary
19 license shall not entitle the applicant to request a hearing. A
20 temporary license may be canceled or suspended summarily at any time if
21 the ((~~board~~)) director determines that good cause for cancellation or
22 suspension exists. RCW 66.08.130 and chapter 34.05 RCW shall apply to
23 temporary licenses.

24 Application for a temporary license shall be on such form as the
25 ((~~board~~)) director shall prescribe. If an application for a temporary
26 license is withdrawn before issuance or is refused by the ((~~board~~))
27 director, the fee which accompanied such application shall be refunded
28 in full.

1 **Sec. 22.** RCW 66.44.010 and 1987 c 202 s 224 are each amended to
2 read as follows:

3 (1) All county and municipal peace officers are hereby charged with
4 the duty of investigating and prosecuting all violations of this title,
5 and the penal laws of this state relating to the manufacture,
6 importation, transportation, possession, distribution, and sale of
7 liquor, and all fines imposed for violations of this title and the
8 penal laws of this state relating to the manufacture, importation,
9 transportation, possession, distribution, and sale of liquor shall
10 belong to the county, city, or town wherein the court imposing the fine
11 is located, and shall be placed in the general fund for payment of the
12 salaries of those engaged in the enforcement of the provisions of this
13 title and the penal laws of this state relating to the manufacture,
14 importation, transportation, possession, distribution, and sale of
15 liquor: PROVIDED, That all fees, fines, forfeitures, and penalties
16 collected or assessed by a district court because of the violation of
17 a state law shall be remitted as provided in chapter 3.62 RCW as now
18 exists or is later amended.

19 (2) In addition to any and all other powers granted, the ((board))
20 director shall have the power to enforce the penal provisions of this
21 title and the penal laws of this state relating to the manufacture,
22 importation, transportation, possession, distribution, and sale of
23 liquor. The ((board)) director may appoint and employ, assign to duty
24 and fix the compensation of, officers to be designated as liquor
25 enforcement officers. Such liquor enforcement officers shall have the
26 power, under the supervision of the ((board)) director, to enforce the
27 penal provisions of this title and the penal laws of this state
28 relating to the manufacture, importation, transportation, possession,
29 distribution, and sale of liquor. They shall have the power and
30 authority to serve and execute all warrants and process of law issued

1 by the courts in enforcing the penal provisions of this title or of any
2 penal law of this state relating to the manufacture, importation,
3 transportation, possession, distribution, and sale of liquor. They
4 shall have the power to arrest without a warrant any person or persons
5 found in the act of violating any of the penal provisions of this title
6 or of any penal law of this state relating to the manufacture,
7 importation, transportation, possession, distribution, and sale of
8 liquor.

9 **Sec. 23.** RCW 42.17.2401 and 1989 1st ex.s. c 9 s 812, 1989 c 279
10 s 22, and 1989 c 158 s 2 are each reenacted and amended to read as
11 follows:

12 For the purposes of RCW 42.17.240, the term "executive state
13 officer" includes:

14 (1) The chief administrative law judge, the director of
15 agriculture, the administrator of the Washington basic health plan, the
16 director of the department of services for the blind, the director of
17 the state system of community colleges, the director of community
18 development, the secretary of corrections, the director of ecology, the
19 commissioner of employment security, the chairman of the energy
20 facility site evaluation council, the director of the energy office,
21 the secretary of the state finance committee, the director of financial
22 management, the director of fisheries, the executive secretary of the
23 forest practices appeals board, the director of the gambling
24 commission, the director of general administration, the secretary of
25 health, the administrator of the Washington state health care
26 authority, the executive secretary of the health care facilities
27 authority, the executive secretary of the higher education facilities
28 authority, the director of the higher education personnel board, the
29 executive secretary of the horse racing commission, the executive

1 secretary of the human rights commission, the executive secretary of
2 the indeterminate sentence review board, the director of the department
3 of information services, the director of the interagency committee for
4 outdoor recreation, the executive director of the state investment
5 board, the director of labor and industries, the director of licensing,
6 the director of the liquor control board, the director of the lottery
7 commission, the director of the office of minority and women's business
8 enterprises, the director of parks and recreation, the director of
9 personnel, the executive director of the public disclosure commission,
10 the director of retirement systems, the director of revenue, the
11 secretary of social and health services, the chief of the Washington
12 state patrol, the executive secretary of the board of tax appeals, the
13 director of trade and economic development, the secretary of
14 transportation, the secretary of the utilities and transportation
15 commission, the director of veterans affairs, the director of wildlife,
16 the president of each of the regional and state universities and the
17 president of The Evergreen State College, each district and each campus
18 president of each state community college;

19 (2) Each professional staff member of the office of the governor;

20 (3) Each professional staff member of the legislature; and

21 (4) Central Washington University board of trustees, board of
22 trustees of each community college, each member of the state board for
23 community college education, state convention and trade center board of
24 directors, committee for deferred compensation, Eastern Washington
25 University board of trustees, Washington economic development finance
26 authority, The Evergreen State College board of trustees, forest
27 practices appeals board, forest practices board, gambling commission,
28 Washington health care facilities authority, state health coordinating
29 council, higher education coordinating board, higher education
30 facilities authority, higher education personnel board, horse racing

1 commission, hospital commission, state housing finance commission,
2 human rights commission, indeterminate sentence review board, board of
3 industrial insurance appeals, information services board, interagency
4 committee for outdoor recreation, state investment board, liquor
5 control board, lottery commission, oil and gas conservation committee,
6 Pacific Northwest electric power and conservation planning council,
7 parks and recreation commission, personnel appeals board, personnel
8 board, pollution control hearings board, public disclosure commission,
9 public pension commission, shorelines hearing board, state employees'
10 benefits board, board of tax appeals, transportation commission,
11 University of Washington board of regents, utilities and transportation
12 commission, Washington public power supply system executive board,
13 Washington State University board of regents, Western Washington
14 University board of trustees, and wildlife commission.

15 **Sec. 24.** RCW 43.03.028 and 1988 c 167 s 9 are each amended to read
16 as follows:

17 (1) There is hereby created a state committee on agency officials'
18 salaries to consist of seven members, or their designees, as follows:
19 The president of the University of Puget Sound; the chairperson of the
20 council of presidents of the state's four-year institutions of higher
21 education; the chairperson of the State Personnel Board; the president
22 of the Association of Washington Business; the president of the Pacific
23 Northwest Personnel Managers' Association; the president of the
24 Washington State Bar Association; and the president of the Washington
25 State Labor Council. If any of the titles or positions mentioned in
26 this subsection are changed or abolished, any person occupying an
27 equivalent or like position shall be qualified for appointment by the
28 governor to membership upon the committee.

1 (2) The committee shall study the duties and salaries of the
2 directors of the several departments and the members of the several
3 boards and commissions of state government, who are subject to
4 appointment by the governor or whose salaries are fixed by the
5 governor, and of the chief executive officers of the following agencies
6 of state government:

7 The arts commission; the human rights commission; the board of
8 accountancy; the board of pharmacy; the capitol historical association
9 and museum; the eastern Washington historical society; the Washington
10 state historical society; the interagency committee for outdoor
11 recreation; the criminal justice training commission; the department of
12 personnel; the state finance committee; the state library; the traffic
13 safety commission; the horse racing commission; the advisory council on
14 vocational education; the public disclosure commission; the hospital
15 commission; the state conservation commission; the commission on
16 Hispanic affairs; the commission on Asian-American affairs; the state
17 board for volunteer ~~((firemen))~~ fire fighters; the transportation
18 improvement board; the public ~~((employees))~~ employment relations
19 commission; the forest practices appeals board; ~~((and))~~ the energy
20 facilities site evaluation council; and the liquor control board.

21 The committee shall report to the governor or the chairperson of
22 the appropriate salary fixing authority at least once in each fiscal
23 biennium on such date as the governor may designate, but not later than
24 seventy-five days prior to the convening of each regular session of the
25 legislature during an odd-numbered year, its recommendations for the
26 salaries to be fixed for each position.

27 (3) Committee members shall be reimbursed by the department of
28 personnel for travel expenses under RCW 43.03.050 and 43.03.060.

1 **Sec. 25.** RCW 43.17.010 and 1989 1st ex.s. c 9 s 810 are each
2 amended to read as follows:

3 There shall be departments of the state government which shall be
4 known as (1) the department of social and health services, (2) the
5 department of ecology, (3) the department of labor and industries, (4)
6 the department of agriculture, (5) the department of fisheries, (6) the
7 department of wildlife, (7) the department of transportation, (8) the
8 department of licensing, (9) the department of general administration,
9 (10) the department of trade and economic development, (11) the
10 department of veterans affairs, (12) the department of revenue, (13)
11 the department of retirement systems, (14) the department of
12 corrections, (15) the department of community development, (~~and~~) (16)
13 the department of health, and (17) the liquor control board, which
14 shall be charged with the execution, enforcement, and administration of
15 such laws, and invested with such powers and required to perform such
16 duties, as the legislature may provide.

17 **Sec. 26.** RCW 43.17.020 and 1989 1st ex.s. c 9 s 811 are each
18 amended to read as follows:

19 There shall be a chief executive officer of each department to be
20 known as: (1) The secretary of social and health services, (2) the
21 director of ecology, (3) the director of labor and industries, (4) the
22 director of agriculture, (5) the director of fisheries, (6) the
23 director of wildlife, (7) the secretary of transportation, (8) the
24 director of licensing, (9) the director of general administration, (10)
25 the director of trade and economic development, (11) the director of
26 veterans affairs, (12) the director of revenue, (13) the director of
27 retirement systems, (14) the secretary of corrections, (15) the
28 director of community development, (~~and~~) (16) the secretary of
29 health, and (17) the director of the liquor control board.

1 Such officers, except the secretary of transportation, shall be
2 appointed by the governor, with the consent of the senate, and hold
3 office at the pleasure of the governor. The director of wildlife,
4 however, shall be appointed according to the provisions of RCW
5 77.04.080. If a vacancy occurs while the senate is not in session, the
6 governor shall make a temporary appointment until the next meeting of
7 the senate. A temporary director of wildlife shall not serve more than
8 one year. The secretary of transportation shall be appointed by the
9 transportation commission as prescribed by RCW 47.01.041.

10 NEW SECTION. **Sec. 27.** RCW 66.08.016 and 1961 c 1 s 30, 1947 c
11 113 s 2, & 1933 ex.s. c 62 s 65 are each repealed.

12 NEW SECTION. **Sec. 28.** If any provision of this act or its
13 application to any person or circumstance is held invalid, the
14 remainder of the act or the application of the provision to other
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 29.** This act shall take effect January 1,
17 1992.