

SENATE BILL REPORT

SB 5173

As Passed Senate, February 15, 1995

Title: An act relating to improvements to the licensing sections of the Washington state liquor act.

Brief Description: Improving the licensing sections of the Washington state liquor act.

Sponsors: Senators Pelz and Newhouse; by request of Liquor Control Board.

Brief History:

Committee Activity: Labor, Commerce & Trade: 1/19/95, 1/24/95 [DP].
Passed Senate, 2/15/95, 46-0.

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Deccio, Franklin, Fraser, Hale, Newhouse, Palmer and Wojahn.

Staff: Traci Ratzliff (786-7452)

Background: Currently, only the Liquor Control Board members may approve liquor licenses. It is suggested that the processing of unopposed license applications would be expedited if a designated Liquor Control Board staff member could approve these licenses without having to convene all members of the Liquor Control Board.

The transfer of a liquor license, and establishment from one owner to the next, is treated differently than an application for a new liquor license. As a result, delays can occur in approving the transfer of the license and the ultimate sale of the establishment. It is suggested that the processing of these transactions would be expedited if the transfer of the license were treated like an application for a new liquor license.

Beer manufacturers and wine wholesalers are required to pay a state liquor tax based on the amount of beer and wine produced or sold in this state. In previous years, manufacturers and wholesalers were required to purchase revenue stamps from the Liquor Control Board that were affixed to every barrel or package of beer or every package or container of wine to signify that the appropriate taxes had been paid. The Liquor Control Board has established a more efficient method for assuring that these licensees pay the appropriate tax, which makes the old system utilizing revenue stamps unnecessary.

Class A,C, D or H licensees may obtain a Class I caterer's license to serve liquor at special occasions by submitting an application and paying a \$25 a day license fee for each event, or by submitting an application and paying a \$350 fee to obtain an annual caterer's license. It is suggested that most licensees cater at numerous events throughout the year and that a single event license is no longer needed.

Summary of Bill: The Liquor Control Board is authorized to designate a staff member to approve uncontested or unopposed liquor licenses.

The procedure for transferring a liquor license to a new owner of an establishment is modified to resemble the application process for a new liquor license.

Provisions requiring the use of revenue stamps to assure that the appropriate liquor taxes are paid by beer manufacturers or wine wholesalers are deleted.

The single event Class I caterer's license is abolished. Class A, C, D or H licensees may obtain an annual Class I caterer's license by submitting an application and paying a \$350 fee to the Liquor Control Board.

Appropriation: None.

Fiscal Note: Requested on January 16, 1995.

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

Testimony For: This bill will increase the efficiency of the LCB's operations and provide more expeditious service to the public.

Testimony Against: None.

Testified: Carter Mitchell, Liquor Control Board (pro).