

In 1972 Initiative 261 sought to repeal the statutes governing the sale of liquor.



Initiative Measure 261

NOTE: New special toll-free telephone service offered to voters requesting in-depth information on state measures. See page 5 for details.

Liquor Sales by Licensed Retailers

AN ACT repealing existing statutes relating to the establishment and operation of state liquor stores; extending the state sales tax to sales of intoxicating liquor at retail; providing for the licensing of retailers of liquor and for the registration of each brand or label of liquor to be sold; and prohibiting the state of Washington from reselling any liquor either at retail or wholesale.

Statement for

Four Good Reasons to Support 261:

1. 261 brings an end to state abuse of the monopolistic liquor system.

The King County Grand Jury has indicted the three present members of the Washington State Liquor Control Board and a former member for grand larceny. Whether or not the allegations of missing inventory and lost samples will result in convictions, the present system inevitably creates a temptation for abuse by the state employees who run it. Three unelected state officials dictate what brands are to be sold, price, who transports the goods, hours of sale and location.

2. 261 will result in lower liquor prices.

Under our present monopoly system, Washingtonians who purchase their liquor in state pay the highest liquor prices in the entire nation. By allowing price competition, the passage of Initiative 261 will result in lower liquor prices. Additionally, 261 will allow the consumer broader selection and greater convenience.

3. 261 will benefit the state economy.

261 will result in the return to the state for useful and needed state purposes a minimum of \$34,000,000 which is locked up in our present monopoly system. In addition to creating badly needed jobs, it will infuse millions of dollars into the economy for the purchase of inventory, fixtures and equipment. The present monopoly system escapes normal business taxes. 261 will also end this unfair, preferential treatment.

4. The state should not be in a retail business.

The state can and should provide many needed services for its citizens—fire and police protection, schools and parks, to name a few. It is through a historical accident that the State of Washington is in a retail business. There is no reason why retailers who sell beer and wine for off-premises consumption should not be allowed to sell liquor for off-premises consumption.

End a law that has outgrown itself—reduce state government—vote for free enterprise—vote FOR 261.

Committee appointed to compose statement FOR Initiative Measure No. 261:

JOHN STENDER, State Senator; DAVE CECCARELLI, State Representative; WARREN B. McPHERSON and ROBERT B. GOULD, Co-Chairman, Citizens Against Liquor Monopoly (CALM).

The Law as it now exists:

At the present time, although beer and wine in bottles or other original containers may be sold at retail either through state liquor stores or by licensed private retailers, spirituous liquors may only be sold at retail in such containers through state operated liquor stores or by persons employed by the state as agency vendors.

Effect of Initiative Measure No. 261 if approved into Law:

This Initiative would repeal the existing statutes relating to state liquor stores and agency vendors and would, henceforth, prohibit the state from reselling liquor either through its own stores or through agency vendors. Among the effects of this action would be an elimination of the legal basis for the existing price discount applicable to liquor sales by the liquor board to all organizations such as hotels, restaurants and clubs which are licensed to sell spirituous liquor by the drink, and a repeal of the present statutory prohibition against sales of such liquor by the bottle on Sundays.

Subject to the payment of licensing and brand registration fees to be fixed by the legislature, the initiative would allow all retailers presently holding licenses to sell beer and wine in bottles or other original containers at retail (except those licensed to sell beer or wine for on-premises consumption) to sell other intoxicating liquors at retail as well, and would also provide for the licensing of retail stores having as their primary business the sale of beer, wine and other liquor at retail. All such sales, in addition to being subject to the general state retail sales tax, would also be made subject to the same special excise taxes as now apply to retail sales of intoxicating liquor by state liquor stores and authorized agency vendors.

The provisions of this initiative if approved into law would become effective on July 1, 1973.

NOTE: Ballot title and the above explanatory comment were written by the Attorney General as required by state law. Complete text of Initiative Measure No. 261 starts on Page 54.

Statement against

Vote Against Initiative 261 for These Reasons:

1. It Increases Taxes and Boosts Liquor Prices.

Although Washington State liquor taxes already are highest in the nation, the initiative imposes an additional 5 per cent retail sales tax.

The sales tax plus the markup of private wholesalers and retailers will increase the price 48 cents a fifth.

If liquor produces the same revenue for state and local governments as it now does, an additional tax of 60 cents a fifth will be required under Initiative 261 to make up the loss of profits earned by your state stores.

THAT ADDS UP TO AN INCREASE OF MORE THAN \$1.00 A FIFTH.

2. It Gives Away Your Millions to Private Interests.

The State Liquor System belongs to YOU, the Citizens of Washington. It is worth millions. Initiative 261 would give it away to private interests. Your state system produced \$27.6 million in profits in fiscal year 1971 to alleviate other state and local taxes. This \$27.6 million would be pocketed by private interests, and you, the taxpayers, would have to make it up by paying additional taxes.

3. It Will Increase the Drinking Problem.

Initiative 261 will allow 2,686 grocery stores and other establishments to sell hard liquor by the bottle on Sundays and during the week. That's 893 more bottle outlets, per capita, than in wide-open California. Private interests, looking for heavy profits, will promote the sale and consumption of

liquor. The easy access will increase sales to minors, alcoholism, traffic accidents and other law enforcement problems.

4. State Selection Better; Prices Less Than Grocers.

Your state liquor stores offer 1,314 brands and sizes of hard liquor, wines and malt beverages. This is a far wider selection than grocery stores would offer. As proof, compare wine offerings—and wine prices. The state sells wine for less, but the initiative would eliminate state competition so private interests could charge whatever the traffic will bear.

Committee appointed to compose statement AGAINST Initiative Measure No. 261:

R. R. BOB GREIVE, State Senator, Seattle; IRVING NEWHOUSE, State Representative, Mabton; JACK ROGERS, Washington State Association of Counties, Olympia.

Advisory Committee: MARVIN L. WILLIAMS, Secretary-Treasurer, Washington State Labor Council, AFL-CIO, Seattle; NICK GIARDINA, Police Chief, Bellevue, State President of State Association of Police Chiefs and Sheriffs; JUDGE MATTHEW W. HILL, former chief justice, Washington State Supreme Court, Olympia; LESTER A. WETZSTEIN, Executive Director, Alcohol Problems Association, 5131 Arcade Building, Seattle; ALLEN F. STRATTON, President, Association of Washington Cities, 1507 E. Dalton Avenue, Spokane.