
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0306.3/07 3rd draft

ATTY/TYPIST: RJS:ads

BRIEF DESCRIPTION: Creating a nightclub liquor license and removing spirits, beer, and wine restaurant license limit.

1 AN ACT Relating to retail liquor licenses; amending RCW 66.24.010,
2 66.24.440, 66.08.180, 66.08.220, 66.20.310, 66.40.030, and 66.40.130;
3 reenacting and amending RCW 68.50.107, 66.24.420, and 66.24.420; adding
4 a new section to chapter 66.24 RCW; providing an effective date;
5 providing an expiration date; and declaring an emergency.

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

7 NEW SECTION. **Sec. 1.** A new section is added to chapter 66.24 RCW
8 to read as follows:

9 (1) There shall be a license to be designated as a nightclub
10 license. This license allows the holder to sell spirituous liquor by
11 the drink, beer, and wine at retail, for consumption upon the licensed
12 premises.

13 (2) This license may be issued only to persons whose business is
14 operated primarily for the purpose of providing alcohol service, has
15 food service incidental to the service of alcohol, and has any of the
16 following characteristics:

17 (a) The business offers live entertainment and promotes its
18 entertainment offerings as its primary customer draw;

1 (b) The primary business hours are between ten o'clock in the
2 evening and two o'clock in the morning;

3 (c) The business operates five days a week or less;

4 (d) The occupancy load of the business premises is greater than the
5 seating provided;

6 (e) Customers must pay a cover charge for some period of time
7 during business hours; or

8 (f) Menus offering food are not offered to customers when beverages
9 are ordered.

10 (3) Nightclubs must maintain minimum food service as determined by
11 the board at all times when alcohol is available.

12 (4) Persons under twenty-one years of age are not allowed in a
13 nightclub at any time, except for persons employed under RCW 66.44.316.

14 (5) The annual fee for the nightclub license shall be two thousand
15 dollars. This fee amount may be reviewed periodically by the board and
16 adjusted to reflect a change in the amount of resources necessary to
17 regulate and enforce this license type.

18 (6) The board shall refuse a nightclub license to any applicant if
19 in the opinion of the board the nightclub licenses already granted for
20 the particular locality are adequate for the reasonable needs of the
21 community.

22 (7) The board shall require nightclubs to submit an operating plan.

23 (8) The board may adopt rules to implement this section.

24 **Sec. 2.** RCW 66.24.010 and 2006 c 359 s 1 are each amended to read
25 as follows:

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

28 (2) For the purpose of considering any application for a license,
29 the board may cause an inspection of the premises to be made, and may
30 inquire into all matters in connection with the construction and
31 operation of the premises. For the purpose of reviewing any
32 application for a license and for considering the denial, suspension or
33 revocation of any license, the liquor control board may consider any
34 prior criminal conduct of the applicant including a criminal history
35 record information check. The board may submit the criminal history
36 record information check to the Washington state patrol and to the
37 identification division of the federal bureau of investigation in order

1 that these agencies may search their records for prior arrests and
2 convictions of the individual or individuals who filled out the forms.
3 The board shall require fingerprinting of any applicant whose criminal
4 history record information check is submitted to the federal bureau of
5 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW
6 shall not apply to such cases. The board may, in its discretion, grant
7 or refuse the license applied for. Authority to approve an uncontested
8 or unopposed license may be granted by the board to any staff member
9 the board designates in writing. Conditions for granting such
10 authority shall be adopted by rule. No retail license of any kind may
11 be issued to:

12 (a) A person doing business as a sole proprietor who has not
13 resided in the state for at least one month prior to receiving a
14 license, except in cases of licenses issued to dining places on
15 railroads, boats, or aircraft;

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

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

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

25 (3)(a) The board may, in its discretion, subject to the provisions
26 of RCW 66.08.150, suspend or cancel any license; and all rights of the
27 licensee to keep or sell liquor thereunder shall be suspended or
28 terminated, as the case may be.

29 (b) The board shall immediately suspend the license or certificate
30 of a person who has been certified pursuant to RCW 74.20A.320 by the
31 department of social and health services as a person who is not in
32 compliance with a support order. If the person has continued to meet
33 all other requirements for reinstatement during the suspension,
34 reissuance of the license or certificate shall be automatic upon the
35 board's receipt of a release issued by the department of social and
36 health services stating that the licensee is in compliance with the
37 order.

1 (c) The board may request the appointment of administrative law
2 judges under chapter 34.12 RCW who shall have power to administer
3 oaths, issue subpoenas for the attendance of witnesses and the
4 production of papers, books, accounts, documents, and testimony,
5 examine witnesses, and to receive testimony in any inquiry,
6 investigation, hearing, or proceeding in any part of the state, under
7 such rules and regulations as the board may adopt.

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

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

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

31 (5)(a) At the time of the original issuance of a spirits, beer, and
32 wine restaurant license, the board shall prorate the license fee
33 charged to the new licensee according to the number of calendar
34 quarters, or portion thereof, remaining until the first renewal of that
35 license is required.

36 (b) Unless sooner canceled, every license issued by the board shall
37 expire at midnight of the thirtieth day of June of the fiscal year for
38 which it was issued. However, if the board deems it feasible and

1 desirable to do so, it may establish, by rule pursuant to chapter 34.05
2 RCW, a system for staggering the annual renewal dates for any and all
3 licenses authorized by this chapter. If such a system of staggered
4 annual renewal dates is established by the board, the license fees
5 provided by this chapter shall be appropriately prorated during the
6 first year that the system is in effect.

7 (6) Every license issued under this section shall be subject to all
8 conditions and restrictions imposed by this title or by rules adopted
9 by the board. All conditions and restrictions imposed by the board in
10 the issuance of an individual license shall be listed on the face of
11 the individual license along with the trade name, address, and
12 expiration date.

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

15 (8)(a) Unless (b) of this subsection applies, before the board
16 issues a license to an applicant it shall give notice of such
17 application to the chief executive officer of the incorporated city or
18 town, if the application is for a license within an incorporated city
19 or town, or to the county legislative authority, if the application is
20 for a license outside the boundaries of incorporated cities or towns.

21 (b) If the application for a special occasion license is for an
22 event held during a county, district, or area fair as defined by RCW
23 15.76.120, and the county, district, or area fair is located on
24 property owned by the county but located within an incorporated city or
25 town, the county legislative authority shall be the entity notified by
26 the board under (a) of this subsection. The board shall send a
27 duplicate notice to the incorporated city or town within which the fair
28 is located.

29 (c) The incorporated city or town through the official or employee
30 selected by it, or the county legislative authority or the official or
31 employee selected by it, shall have the right to file with the board
32 within twenty days after date of transmittal of such notice, written
33 objections against the applicant or against the premises for which the
34 license is asked. The board may extend the time period for submitting
35 written objections.

36 (d) The written objections shall include a statement of all facts
37 upon which such objections are based, and in case written objections

1 are filed, may request and the liquor control board may in its
2 discretion hold a hearing subject to the applicable provisions of Title
3 34 RCW.

4 (e) Upon the granting of a license under this title the board shall
5 send written notification to the chief executive officer of the
6 incorporated city or town in which the license is granted, or to the
7 county legislative authority if the license is granted outside the
8 boundaries of incorporated cities or towns. When the license is for a
9 special occasion license for an event held during a county, district,
10 or area fair as defined by RCW 15.76.120, and the county, district, or
11 area fair is located on county-owned property but located within an
12 incorporated city or town, the written notification shall be sent to
13 both the incorporated city or town and the county legislative
14 authority.

15 (9)(a) Before the board issues any license to any applicant, it
16 shall give (i) due consideration to the location of the business to be
17 conducted under such license with respect to the proximity of churches,
18 schools, and public institutions and (ii) written notice, with receipt
19 verification, of the application to public institutions identified by
20 the board as appropriate to receive such notice, churches, and schools
21 within five hundred feet of the premises to be licensed. The board
22 shall issue no ~~((beer retailer))~~ liquor license for either on-premises
23 or off-premises consumption ~~((or wine retailer license for either on-~~
24 ~~premises or off-premises consumption or spirits, beer, and wine~~
25 ~~restaurant license))~~ covering any premises not now licensed, if such
26 premises ~~((are))~~ is within five hundred feet of the premises of any
27 tax-supported public elementary or secondary school measured along the
28 most direct route over or across established public walks, streets, or
29 other public passageway from the main entrance of the school to the
30 nearest public entrance of the premises proposed for license, and if,
31 after receipt by the school of the notice as provided in this
32 subsection, the board receives written objection, within twenty days
33 after receiving such notice, from an official representative or
34 representatives of the school within five hundred feet of said proposed
35 licensed premises, indicating to the board that there is an objection
36 to the issuance of such license because of proximity to a school. The
37 board may extend the time period for submitting objections. ~~((For the~~
38 ~~purpose of this section, church shall mean a building erected for and~~

1 ~~used exclusively for religious worship and schooling or other activity~~
2 ~~in connection therewith. For the purpose of this section, public~~
3 ~~institution shall mean institutions of higher education, parks,~~
4 ~~community centers, libraries, and transit centers.))~~

5 (b) No liquor license may be issued or reissued by the board to any
6 motor sports facility or licensee operating within the motor sports
7 facility unless the motor sports facility enforces a program reasonably
8 calculated to prevent alcohol or alcoholic beverages not purchased
9 within the facility from entering the facility and such program is
10 approved by local law enforcement agencies.

11 (c) It is the intent under this subsection (9) that a retail
12 license shall not be issued by the board where doing so would, in the
13 judgment of the board, 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 shall
16 fully consider and give substantial weight to objections filed by
17 private schools. If a license is issued despite the proximity of a
18 private school, the board shall state in a letter addressed to the
19 private school the board's reasons for issuing the license.

20 (10) The restrictions set forth in subsection (9) of this section
21 shall not prohibit the board from authorizing the assumption of
22 existing licenses now located within the restricted area by other
23 persons or licenses or relocations of existing licensed premises within
24 the restricted area. In no case may the licensed premises be moved
25 closer to a church or school than it was before the assumption or
26 relocation.

27 (11)(a) Nothing in this section prohibits the board, in its
28 discretion, from issuing a temporary retail or distributor license to
29 an applicant to operate the retail or distributor premises during the
30 period the application for the license is pending. The board may
31 establish a fee for a temporary license by rule.

32 (b) A temporary license issued by the board under this section
33 shall be for a period not to exceed sixty days. A temporary license
34 may be extended at the discretion of the board for additional periods
35 of sixty days upon payment of an additional fee and upon compliance
36 with all conditions required in this section.

37 (c) Refusal by the board to issue or extend a temporary license
38 shall not entitle the applicant to request a hearing. A temporary

1 license may be canceled or suspended summarily at any time if the board
2 determines that good cause for cancellation or suspension exists. RCW
3 66.08.130 applies to temporary licenses.

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

8 **Sec. 3.** RCW 66.24.440 and 1998 c 126 s 8 are each amended to read
9 as follows:

10 Each spirits, beer, and wine restaurant, spirits, beer, and wine
11 private club, nightclub, and sports entertainment facility licensee
12 shall be entitled to purchase any spirituous liquor items salable under
13 such license from the board at a discount of not less than fifteen
14 percent from the retail price fixed by the board, together with all
15 taxes.

16 **Sec. 4.** RCW 66.08.180 and 2000 c 192 s 1 are each amended to read
17 as follows:

18 Except as provided in RCW 66.24.290(1), moneys in the liquor
19 revolving fund shall be distributed by the board at least once every
20 three months in accordance with RCW 66.08.190, 66.08.200 and 66.08.210:
21 PROVIDED, That the board shall reserve from distribution such amount
22 not exceeding five hundred thousand dollars as may be necessary for the
23 proper administration of this title.

24 (1) All license fees, penalties and forfeitures derived under
25 chapter 13, Laws of 1935 from spirits, beer, and wine restaurant
26 licenses; spirits, beer, and wine private club(~~(s)~~) licenses, nightclub
27 licenses, and sports entertainment facility licenses (~~(or spirits,~~
28 ~~beer, and wine restaurant; spirits, beer, and wine private club; and~~
29 ~~sports entertainment facility licensees)) shall every three months be
30 disbursed by the board as follows:~~

31 (a) Three hundred thousand dollars per biennium, to the death
32 investigations account for the state toxicology program pursuant to RCW
33 68.50.107; and

34 (b) Of the remaining funds:

35 (i) 6.06 percent to the University of Washington and 4.04 percent

1 to Washington State University for alcoholism and drug abuse research
2 and for the dissemination of such research; and

3 (ii) 89.9 percent to the general fund to be used by the department
4 of social and health services solely to carry out the purposes of RCW
5 70.96A.050;

6 (2) The first fifty-five dollars per license fee provided in RCW
7 66.24.320 and 66.24.330 up to a maximum of one hundred fifty thousand
8 dollars annually shall be disbursed every three months by the board to
9 the general fund to be used for juvenile alcohol and drug prevention
10 programs for kindergarten through third grade to be administered by the
11 superintendent of public instruction;

12 (3) Twenty percent of the remaining total amount derived from
13 license fees pursuant to RCW 66.24.320, 66.24.330, 66.24.350, and
14 66.24.360, shall be transferred to the general fund to be used by the
15 department of social and health services solely to carry out the
16 purposes of RCW 70.96A.050; and

17 (4) One-fourth cent per liter of the tax imposed by RCW 66.24.210
18 shall every three months be disbursed by the board to Washington State
19 University solely for wine and wine grape research, extension programs
20 related to wine and wine grape research, and resident instruction in
21 both wine grape production and the processing aspects of the wine
22 industry in accordance with RCW 28B.30.068. The director of financial
23 management shall prescribe suitable accounting procedures to ensure
24 that the funds transferred to the general fund to be used by the
25 department of social and health services and appropriated are
26 separately accounted for.

27 **Sec. 5.** RCW 66.08.220 and 1999 c 281 s 2 are each amended to read
28 as follows:

29 The board shall set aside in a separate account in the liquor
30 revolving fund an amount equal to ten percent of its gross sales of
31 liquor to spirits, beer, and wine restaurant; spirits, beer, and wine
32 private club; nightclub; and sports entertainment facility licensees
33 collected from these licensees pursuant to the provisions of RCW
34 82.08.150, less the fifteen percent discount provided for in RCW
35 66.24.440; and the moneys in said separate account shall be distributed
36 in accordance with the provisions of RCW 66.08.190, 66.08.200 and
37 66.08.210: PROVIDED, HOWEVER, That no election unit in which the sale

1 of liquor under spirits, beer, and wine restaurant; spirits, beer, and
2 wine private club; nightclub; and sports entertainment facility
3 licenses is unlawful shall be entitled to share in the distribution of
4 moneys from such separate account.

5 **Sec. 6.** RCW 66.20.310 and 1997 c 321 s 45 are each amended to read
6 as follows:

7 (1)(a) There shall be an alcohol server permit, known as a class 12
8 permit, for a manager or bartender selling or mixing alcohol, spirits,
9 wines, or beer for consumption at an on-premises licensed facility.

10 (b) There shall be an alcohol server permit, known as a class 13
11 permit, for a person who only serves alcohol, spirits, wines, or beer
12 for consumption at an on-premises licensed facility.

13 (c) As provided by rule by the board, a class 13 permit holder may
14 be allowed to act as a bartender without holding a class 12 permit.

15 (2)(a) Effective January 1, 1997, except as provided in (d) of this
16 subsection, every person employed, under contract or otherwise, by an
17 annual retail liquor licensee holding a license as authorized by RCW
18 66.24.320, 66.24.330, 66.24.350, 66.24.400, 66.24.425, 66.24.450,
19 section 1 of this act, or 66.24.570, who as part of his or her
20 employment participates in any manner in the sale or service of
21 alcoholic beverages shall have issued to them a class 12 or class 13
22 permit.

23 (b) Every class 12 and class 13 permit issued shall be issued in
24 the name of the applicant and no other person may use the permit of
25 another permit holder. The holder shall present the permit upon
26 request to inspection by a representative of the board or a peace
27 officer. The class 12 or class 13 permit shall be valid for employment
28 at any retail licensed premises described in (a) of this subsection.

29 (c) No licensee described in (a) of this subsection, except as
30 provided in (d) of this subsection, may employ or accept the services
31 of any person without the person first having a valid class 12 or class
32 13 permit.

33 (d) Within sixty days of initial employment, every person whose
34 duties include the compounding, sale, service, or handling of liquor
35 shall have a class 12 or class 13 permit.

36 (e) No person may perform duties that include the sale or service

1 of alcoholic beverages on a retail licensed premises without possessing
2 a valid alcohol server permit.

3 (3) A permit issued by a training entity under this section is
4 valid for employment at any retail licensed premises described in
5 subsection (2)(a) of this section for a period of five years unless
6 suspended by the board.

7 (4) The board may suspend or revoke an existing permit if any of
8 the following occur:

9 (a) The applicant or permittee has been convicted of violating any
10 of the state or local intoxicating liquor laws of this state or has
11 been convicted at any time of a felony; or

12 (b) The permittee has performed or permitted any act that
13 constitutes a violation of this title or of any rule of the board.

14 (5) The suspension or revocation of a permit under this section
15 does not relieve a licensee from responsibility for any act of the
16 employee or agent while employed upon the retail licensed premises.
17 The board may, as appropriate, revoke or suspend either the permit of
18 the employee who committed the violation or the license of the licensee
19 upon whose premises the violation occurred, or both the permit and the
20 license.

21 (6)(a) After January 1, 1997, it is a violation of this title for
22 any retail licensee or agent of a retail licensee as described in
23 subsection (2)(a) of this section to employ in the sale or service of
24 alcoholic beverages, any person who does not have a valid alcohol
25 server permit or whose permit has been revoked, suspended, or denied.

26 (b) It is a violation of this title for a person whose alcohol
27 server permit has been denied, suspended, or revoked to accept
28 employment in the sale or service of alcoholic beverages.

29 (7) Grocery stores licensed under RCW 66.24.360, the primary
30 commercial activity of which is the sale of grocery products and for
31 which the sale and service of beer and wine for on-premises consumption
32 with food is incidental to the primary business, and employees of such
33 establishments, are exempt from RCW 66.20.300 through 66.20.350.

34 **Sec. 7.** RCW 66.40.030 and 1999 c 281 s 8 are each amended to read
35 as follows:

36 Within any unit referred to in RCW 66.40.010, there may be held a
37 separate election upon the question of whether the sale of liquor under

1 spirits, beer, and wine restaurant; spirits, beer, and wine private
2 club; nightclub; and sports entertainment facility licenses, shall be
3 permitted within such unit. The conditions and procedure for holding
4 such election shall be those prescribed by RCW 66.40.020, 66.40.040,
5 66.40.100, 66.40.110 and 66.40.120. Whenever a majority of qualified
6 voters voting upon said question in any such unit shall have voted
7 "against the sale of liquor under spirits, beer, and wine restaurant;
8 spirits, beer, and wine private club; nightclub; and sports
9 entertainment facility licenses", the county auditor shall file with
10 the liquor control board a certificate showing the result of the
11 canvass at such election; and after ninety days from and after the date
12 of the canvass, it shall not be lawful for licensees to maintain and
13 operate premises within the election unit licensed under spirits, beer,
14 and wine restaurant; spirits, beer, and wine private club; nightclub;
15 and sports entertainment facility licenses. The addition after an
16 election under this section of new territory to a city, town, or
17 county, by annexation, disincorporation, or otherwise, shall not extend
18 the prohibition against the sale of liquor under spirits, beer, and
19 wine restaurant; spirits, beer, and wine private club; nightclub; and
20 sports entertainment facility licenses to the new territory. Elections
21 held under RCW 66.40.010, 66.40.020, 66.40.040, 66.40.100, 66.40.110,
22 66.40.120 and 66.40.140, shall be limited to the question of whether
23 the sale of liquor by means other than under spirits, beer, and wine
24 restaurant; spirits, beer, and wine private club; nightclub; and sports
25 entertainment facility licenses shall be permitted within such election
26 unit.

27 **Sec. 8.** RCW 66.40.130 and 1999 c 281 s 9 are each amended to read
28 as follows:

29 Ninety days after December 2, 1948, spirits, beer, and wine
30 restaurant; spirits, beer, and wine private club; nightclub; and sports
31 entertainment facility licenses may be issued in any election unit in
32 which the sale of liquor is then lawful. No spirits, beer, and wine
33 restaurant; spirits, beer, and wine private club; nightclub; and sports
34 entertainment facility license shall be issued in any election unit in
35 which the sale of liquor is forbidden as the result of an election held
36 under RCW 66.40.010, 66.40.020, 66.40.040, 66.40.100, 66.40.110,
37 66.40.120 and 66.40.140, unless a majority of the qualified electors in

1 such election unit voting upon this initiative at the general election
2 in November, 1948, vote in favor of this initiative, or unless at a
3 subsequent general election in which the question of whether the sale
4 of liquor under spirits, beer, and wine restaurant; spirits, beer, and
5 wine private club; nightclub; and sports entertainment facility
6 licenses shall be permitted within such unit is submitted to the
7 electorate, as provided in RCW 66.40.030, a majority of the qualified
8 electors voting upon such question vote "for the sale of liquor under
9 spirits, beer, and wine restaurant; spirits, beer, and wine private
10 club; nightclub; and sports entertainment facility licenses."

11 **Sec. 9.** RCW 68.50.107 and 1999 c 281 s 13 and 1999 c 40 s 8 are
12 each reenacted and amended to read as follows:

13 There shall be established in conjunction with the chief of the
14 Washington state patrol and under the authority of the state forensic
15 investigations council a state toxicological laboratory under the
16 direction of the state toxicologist whose duty it will be to perform
17 all necessary toxicologic procedures requested by all coroners, medical
18 examiners, and prosecuting attorneys. The state forensic
19 investigations council, after consulting with the chief of the
20 Washington state patrol and director of the bureau of forensic
21 laboratory services, shall appoint a toxicologist as state
22 toxicologist, who shall report to the director of the bureau of
23 forensic laboratory services and the office of the chief of the
24 Washington state patrol. Toxicological services shall be funded by
25 disbursement from the spirits, beer, and wine restaurant; spirits,
26 beer, and wine private club; nightclub; and sports entertainment
27 facility license fees as provided in RCW 66.08.180 and by appropriation
28 from the death investigations account as provided in RCW 43.79.445.

29 **Sec. 10.** RCW 66.24.420 and 2006 c 101 s 3 and 2006 c 85 s 1 are
30 each reenacted and amended to read as follows:

31 (1) The spirits, beer, and wine restaurant license shall be issued
32 in accordance with the following schedule of annual fees:

33 (a) The annual fee for a spirits, beer, and wine restaurant license
34 shall be graduated according to the dedicated dining area and type of
35 service provided as follows:

1	Less than 50% dedicated dining area	\$2,000
2	50% or more dedicated dining area	\$1,600
3	Service bar only	\$1,000

4 (b) The annual fee for the license when issued to any other
5 spirits, beer, and wine restaurant licensee outside of incorporated
6 cities and towns shall be prorated according to the calendar quarters,
7 or portion thereof, during which the licensee is open for business,
8 except in case of suspension or revocation of the license.

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

24 (d) Where the license shall be issued to any corporation,
25 association, or person operating dining places at a publicly or
26 privately owned civic or convention center with facilities for sports,
27 entertainment, or conventions, or a combination thereof, with more than
28 one place where liquor is to be dispensed and sold, such license shall
29 be issued upon the payment of the annual fee, which shall be a master
30 license and shall permit such sale within and from one such place.
31 Such license may be extended to additional places on the premises at
32 the discretion of the board and a duplicate license may be issued for
33 each such additional place. The holder of a master license for a
34 dining place at such a publicly or privately owned civic or convention
35 center must maintain in a substantial manner at least one place on the
36 premises for preparing, cooking, and serving of complete meals, and
37 food service shall be available on request in other licensed places on

1 the premises. An additional license fee of ten dollars shall be
2 required for such duplicate licenses.

3 (e) Where the license shall be issued to any corporation,
4 association or person operating more than one building containing
5 dining places at privately owned facilities which are open to the
6 public and where there is a continuity of ownership of all adjacent
7 property, such license shall be issued upon the payment of an annual
8 fee which shall be a master license and shall permit such sale within
9 and from one such place. Such license may be extended to the
10 additional dining places on the property or, in the case of a spirits,
11 beer, and wine restaurant licensed hotel, property owned or controlled
12 by leasehold interest by that hotel for use as a conference or
13 convention center or banquet facility open to the general public for
14 special events in the same metropolitan area, at the discretion of the
15 board and a duplicate license may be issued for each additional place.
16 The holder of the master license for the dining place shall not offer
17 alcoholic beverages for sale, service, and consumption at the
18 additional place unless food service is available at both the location
19 of the master license and the duplicate license. An additional license
20 fee of twenty dollars shall be required for such duplicate licenses.

21 (2) The board, so far as in its judgment is reasonably possible,
22 shall confine spirits, beer, and wine restaurant licenses to the
23 business districts of cities and towns and other communities, and not
24 grant such licenses in residential districts, nor within the immediate
25 vicinity of schools, without being limited in the administration of
26 this subsection to any specific distance requirements.

27 (3) The board shall have discretion to issue spirits, beer, and
28 wine restaurant licenses outside of cities and towns in the state of
29 Washington. The purpose of this subsection is to enable the board, in
30 its discretion, to license in areas outside of cities and towns and
31 other communities, establishments which are operated and maintained
32 primarily for the benefit of tourists, vacationers and travelers, and
33 also golf and country clubs, and common carriers operating dining, club
34 and buffet cars, or boats.

35 ~~(4) ((The total number of spirits, beer, and wine restaurant~~
36 ~~licenses issued in the state of Washington by the board, not including~~
37 ~~spirits, beer, and wine private club licenses, shall not in the~~
38 ~~aggregate at any time exceed one license for each one thousand four~~

1 ~~hundred fifty of population in the state, determined according to the~~
2 ~~yearly population determination developed by the office of financial~~
3 ~~management pursuant to RCW 43.62.030.~~

4 ~~(5) Notwithstanding the provisions of subsection (4) of this~~
5 ~~section,~~) The board shall refuse a spirits, beer, and wine restaurant
6 license to any applicant if in the opinion of the board the spirits,
7 beer, and wine restaurant licenses already granted for the particular
8 locality are adequate for the reasonable needs of the community.

9 ((+6)) (5)(a) The board may issue a caterer's endorsement to this
10 license to allow the licensee to remove the liquor stocks at the
11 licensed premises, for use as liquor for sale and service at event
12 locations at a specified date and, except as provided in subsection
13 ((+7)) (6) of this section, place not currently licensed by the board.
14 If the event is open to the public, it must be sponsored by a society
15 or organization as defined by RCW 66.24.375. If attendance at the
16 event is limited to members or invited guests of the sponsoring
17 individual, society, or organization, the requirement that the sponsor
18 must be a society or organization as defined by RCW 66.24.375 is
19 waived. Cost of the endorsement is three hundred fifty dollars.

20 (b) The holder of this license with catering endorsement shall, if
21 requested by the board, notify the board or its designee of the date,
22 time, place, and location of any catered event. Upon request, the
23 licensee shall provide to the board all necessary or requested
24 information concerning the society or organization that will be holding
25 the function at which the endorsed license will be utilized.

26 ((+7)) (6) Licensees under this section that hold a caterer's
27 endorsement are allowed to use this endorsement on a domestic winery
28 premises or on the premises of a passenger vessel under the following
29 conditions:

30 (a) Agreements between the domestic winery or passenger vessel, as
31 the case may be, and the retail licensee shall be in writing, contain
32 no exclusivity clauses regarding the alcohol beverages to be served,
33 and be filed with the board; and

34 (b) The domestic winery or passenger vessel, as the case may be,
35 and the retail licensee shall be separately contracted and compensated
36 by the persons sponsoring the event for their respective services.

1 **Sec. 11.** RCW 66.24.420 and 2006 c 101 s 3 and 2006 c 85 s 1 are
2 each reenacted and amended to read as follows:

3 (1) The spirits, beer, and wine restaurant license shall be issued
4 in accordance with the following schedule of annual fees:

5 (a) The annual fee for a spirits, beer, and wine restaurant license
6 shall be graduated according to the dedicated dining area and type of
7 service provided as follows:

8	Less than 50% dedicated dining area	\$2,000
9	50% or more dedicated dining area	\$1,600
10	Service bar only	\$1,000

11 (b) The annual fee for the license when issued to any other
12 spirits, beer, and wine restaurant licensee outside of incorporated
13 cities and towns shall be prorated according to the calendar quarters,
14 or portion thereof, during which the licensee is open for business,
15 except in case of suspension or revocation of the license.

16 (c) Where the license shall be issued to any corporation,
17 association or person operating a bona fide restaurant in an airport
18 terminal facility providing service to transient passengers with more
19 than one place where liquor is to be dispensed and sold, such license
20 shall be issued upon the payment of the annual fee, which shall be a
21 master license and shall permit such sale within and from one such
22 place. Such license may be extended to additional places on the
23 premises at the discretion of the board and a duplicate license may be
24 issued for each such additional place. The holder of a master license
25 for a restaurant in an airport terminal facility must maintain in a
26 substantial manner at least one place on the premises for preparing,
27 cooking, and serving of complete meals, and such food service shall be
28 available on request in other licensed places on the premises. An
29 additional license fee of twenty-five percent of the annual master
30 license fee shall be required for such duplicate licenses.

31 (d) Where the license shall be issued to any corporation,
32 association, or person operating dining places at a publicly or
33 privately owned civic or convention center with facilities for sports,
34 entertainment, or conventions, or a combination thereof, with more than
35 one place where liquor is to be dispensed and sold, such license shall
36 be issued upon the payment of the annual fee, which shall be a master
37 license and shall permit such sale within and from one such place.

1 Such license may be extended to additional places on the premises at
2 the discretion of the board and a duplicate license may be issued for
3 each such additional place. The holder of a master license for a
4 dining place at such a publicly or privately owned civic or convention
5 center must maintain in a substantial manner at least one place on the
6 premises for preparing, cooking, and serving of complete meals, and
7 food service shall be available on request in other licensed places on
8 the premises. An additional license fee of ten dollars shall be
9 required for such duplicate licenses.

10 (e) Where the license shall be issued to any corporation,
11 association or person operating more than one building containing
12 dining places at privately owned facilities which are open to the
13 public and where there is a continuity of ownership of all adjacent
14 property, such license shall be issued upon the payment of an annual
15 fee which shall be a master license and shall permit such sale within
16 and from one such place. Such license may be extended to the
17 additional dining places on the property or, in the case of a spirits,
18 beer, and wine restaurant licensed hotel, property owned or controlled
19 by leasehold interest by that hotel for use as a conference or
20 convention center or banquet facility open to the general public for
21 special events in the same metropolitan area, at the discretion of the
22 board and a duplicate license may be issued for each additional place.
23 The holder of the master license for the dining place shall not offer
24 alcoholic beverages for sale, service, and consumption at the
25 additional place unless food service is available at both the location
26 of the master license and the duplicate license. An additional license
27 fee of twenty dollars shall be required for such duplicate licenses.

28 (2) The board, so far as in its judgment is reasonably possible,
29 shall confine spirits, beer, and wine restaurant licenses to the
30 business districts of cities and towns and other communities, and not
31 grant such licenses in residential districts, nor within the immediate
32 vicinity of schools, without being limited in the administration of
33 this subsection to any specific distance requirements.

34 (3) The board shall have discretion to issue spirits, beer, and
35 wine restaurant licenses outside of cities and towns in the state of
36 Washington. The purpose of this subsection is to enable the board, in
37 its discretion, to license in areas outside of cities and towns and
38 other communities, establishments which are operated and maintained

1 primarily for the benefit of tourists, vacationers and travelers, and
2 also golf and country clubs, and common carriers operating dining, club
3 and buffet cars, or boats.

4 (4) The total number of spirits, beer, and wine restaurant licenses
5 issued in the state of Washington by the board, not including spirits,
6 beer, and wine private club licenses, shall not in the aggregate at any
7 time exceed one license for each one thousand (~~four~~) three hundred
8 fifty of population in the state, determined according to the yearly
9 population determination developed by the office of financial
10 management pursuant to RCW 43.62.030.

11 (5) Notwithstanding the provisions of subsection (4) of this
12 section, the board shall refuse a spirits, beer, and wine restaurant
13 license to any applicant if in the opinion of the board the spirits,
14 beer, and wine restaurant licenses already granted for the particular
15 locality are adequate for the reasonable needs of the community.

16 (6)(a) The board may issue a caterer's endorsement to this license
17 to allow the licensee to remove the liquor stocks at the licensed
18 premises, for use as liquor for sale and service at event locations at
19 a specified date and, except as provided in subsection (7) of this
20 section, place not currently licensed by the board. If the event is
21 open to the public, it must be sponsored by a society or organization
22 as defined by RCW 66.24.375. If attendance at the event is limited to
23 members or invited guests of the sponsoring individual, society, or
24 organization, the requirement that the sponsor must be a society or
25 organization as defined by RCW 66.24.375 is waived. Cost of the
26 endorsement is three hundred fifty dollars.

27 (b) The holder of this license with catering endorsement shall, if
28 requested by the board, notify the board or its designee of the date,
29 time, place, and location of any catered event. Upon request, the
30 licensee shall provide to the board all necessary or requested
31 information concerning the society or organization that will be holding
32 the function at which the endorsed license will be utilized.

33 (7) Licensees under this section that hold a caterer's endorsement
34 are allowed to use this endorsement on a domestic winery premises or on
35 the premises of a passenger vessel under the following conditions:

36 (a) Agreements between the domestic winery or passenger vessel, as
37 the case may be, and the retail licensee shall be in writing, contain

1 no exclusivity clauses regarding the alcohol beverages to be served,
2 and be filed with the board; and

3 (b) The domestic winery or passenger vessel, as the case may be,
4 and the retail licensee shall be separately contracted and compensated
5 by the persons sponsoring the event for their respective services.

6 NEW SECTION. **Sec. 12.** Section 11 of this act is necessary for the
7 immediate preservation of the public peace, health, or safety, or
8 support of the state government and its existing public institutions,
9 and takes effect immediately.

10 NEW SECTION. **Sec. 13.** Section 11 of this act expires July 1,
11 2008.

12 NEW SECTION. **Sec. 14.** Sections 1 through 10 of this act take
13 effect July 1, 2008.

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