(1) Section 2, chapter 189, Laws of 1959, section 1, chapter 65, Laws of 1963, section 2, chapter 29, Laws of 1965, section 2, chapter 138, Laws of 1967, section 2, chapter 4, Laws of 1973 1st ex. sess. and RCW 18.71.096; and

(2) Section 21, chapter 192, Laws of 1909 and RCW 18.71.900.

Passed the House May 27, 1975. Passed the Senate May 23, 1975. Approved by the Governor June 4, 1975. Filed in Office of Secretary of State June 4, 1975.

## CHAPTER 172

#### [House Bill No. 1029] WASHINGTON ASSOCIATION OF SHERIFFS AND POLICE CHIEFS

AN ACT Relating to associations; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Section 1. The Washington association of sheriffs and police chiefs is hereby declared to be a combination of units of local government: PRO-VIDED, That such association shall not be considered an "employer" within the meaning of RCW 41.26.030(2) or 41.40.010(4): PROVIDED FURTHER, That no compensation received as an employee of the association shall be considered salary for purposes of the provisions of any retirement system created pursuant to the general laws of this state: PROVIDED FURTHER, That such association shall not qualify for inclusion under the unallocated two mills of the property tax of any political subdivision: PROVIDED FURTHER, That the association shall not have the authority to assess any excess levy or bond measure.

Passed the House May 27, 1975. Passed the Senate May 23, 1975. Approved by the Governor June 4, 1975. Filed in Office of Secretary of State June 4, 1975.

#### CHAPTER 173

[Engrossed Substitute Senate Bill No. 2423] ALCOHOLIC BEVERAGE CONTROL

AN ACT Relating to intoxicating liquor; amending section 69, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 178, Laws of 1969 ex. sess. and RCW 66.08.050; amending section 1, chapter 38, Laws of 1967 and RCW 66.12.110; amending section 4, chapter 67, Laws of 1949 as last amended by section 7, chapter 209, Laws of 1973 1st ex. sess. and RCW 66.20.190; amending section 27, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 62, Laws of 1933 ex. sess. as last amended by section 6, chapter 209, Laws of 1973 1st ex. sess. and RCW 66.20.190; amending section 17, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 66, Laws of 1974 ex. sess. and RCW 66.24.010; amending section 90, chapter 62, Laws of 1933 ex. sess. as last amended by section 6, chapter 217, Laws of 1937 and RCW 66.28.010; amending section 14, chapter 21, Laws of 1969 ex. sess. as amended by section 3, chapter 275, Laws of 1969 ex. sess. and RCW 66.28.025; amending section 27–D added to chapter 62, Laws of 1933 ex. sess. by section 8, chapter 172, Laws of 1939 as amended by section 6, chapter 21, Laws of 1969 ex. sess. and RCW 66.28.030; amending section 30, chapter 62, Laws of 1933 ex. sess. as last amended by section 7, chapter 21, Laws of 1969 ex. sess. and RCW 66.28.040; adding a new section to chapter 62, Laws of 1933 ex. sess. and to chapter 66.28 RCW; adding a new section to chapter 62, Laws of 1933 ex. sess. and to chapter 66.28 RCW; adding new sections to chapter 62, Laws of 1933 ex. sess. and to chapter 66.24 RCW; prescribing penalties; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 69, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 178, Laws of 1969 ex. sess. and RCW 66.08.050 are each amended to read as follows:

The board, subject to the provisions of this title and the regulations, shall

(1) determine the localities within which state liquor stores shall be established throughout the state, and the number and situation of the stores within each locality;

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

(3) establish all necessary warehouses for the storing and bottling, diluting and rectifying of stocks of liquors for the purposes of this title;

(4) provide for the leasing for periods not to exceed ((five)) ten years of all premises required for the conduct of the business; and for remodeling the same, and the procuring of their furnishings, fixtures, and supplies; and for obtaining options of renewal of such leases by the lessee. The terms of such leases in all other respects shall be subject to the direction of the board;

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

(6) execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

(7) pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;

(8) require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

(9) perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and shall have full power to do each and every act necessary to the conduct of its business, including all buying, selling, preparation and approval of forms, and every other function of the business whatsoever, subject only to audit by the state auditor.

Sec. 2. Section 1, chapter 38, Laws of 1967 and RCW 66.12.110 are each amended to read as follows:

A person twenty-one years of age or over may bring into the state from without the United States, free of tax and markup, for his personal or household use such alcoholic beverages as have been declared and permitted to enter the United States duty free under federal law.

Such entry of alcoholic beverages in excess of that herein provided may be authorized by the board upon payment of an equivalent markup and tax as would be applicable to the purchase of the same or similar liquor at retail from a state liquor store. The board shall adopt appropriate regulations pursuant to chapter 34.04 RCW for the purpose of carrying out the provisions of this section. <u>NEW SECTION.</u> Sec. 3. There is added to chapter 66.12 RCW a new section to read as follows:

Notwithstanding any other provision of Title 66 RCW, a person twenty-one years of age or over may be authorized by the board to bring into the state of Washington from another state a reasonable amount of alcoholic beverages for personal or household use only upon payment of an equivalent markup and tax as would be applicable to the purchase of the same or similar liquor at retail from a state liquor store. The board shall adopt appropriate regulations pursuant to chapter 34.04 RCW for the purpose of carrying into effect the provisions of this section.

Sec. 4. Section 4, chapter 67, Laws of 1949 as last amended by section 7, chapter 209, Laws of 1973 1st ex. sess. and RCW 66.20.190 are each amended to read as follows:

In addition to the presentation by the holder and verification by the licensee or store employee of such card of identification, the licensee or store employee who is still in doubt about the true age of the holder shall require the person whose age may be in question to sign a certification card and record an accurate description and serial number of his card of identification thereon. Such statement shall be upon a five-inch by eight-inch file card, which card shall be filed alphabetically by the licensee or store employee at or before the close of business on the day on which the statement is executed, in the file box containing a suitable alphabetical index and the card shall be subject to examination by any peace officer or agent or employee of the board at all times.

The certification card shall also contain in bold-face type an affidavit stating that the signer understands that conviction for unlawful purchase of alcoholic beverages or misuse of the certification card may result in criminal penalties including imprisonment or fine or both.

\*Sec. 5. Section 27, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 66, Laws of 1974 ex. sess. and RCW 66.24.010 are each amended to read as follows:

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

(2) For the purpose of considering any application for a license, the board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. The board may, in its discretion, grant or refuse the license applied for. No retail license of any kind shall be issued to:

(a) ((A person who is not a citizen of the United States, except when the privilege is granted by treaty;

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

(((c))) (b) A person who has been convicted of a felony within five years prior to filing his application except as otherwise provided by chapter 9.96A RCW;

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

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

(((f))) (e) A corporation, unless ((all of the officers thereof are citizens of the United States)) it was created under the laws of the state of Washington or holds a certificate of authority to transact business in the state of Washington.

(3) The board may, in its discretion, subject to the provisions of RCW 66.08-.150, suspend or cancel any license; and all rights of the licensee to keep or sell liquor thereunder shall be suspended or terminated, as the case may be. The board may appoint examiners who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under such rules and regulations as the board may adopt.

Witnesses shall be allowed fees at the rate of four dollars per day, plus ten cents per mile each way. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

In case of disobedience of any person to comply with the order of the board or a subpoena issued by the board, or any of its members, or examiners, or on the refusal of a witness to testify to any matter regarding which he may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or examiner, shall compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(4) Upon receipt of notice of the suspension or cancellation of a license, the licensee shall forthwith deliver up the license to the board. Where the license has been suspended only, the board shall return the license to the licensee at the expiration or termination of the period of suspension, with a memorandum of the suspension written or stamped upon the face thereof in red ink. The board shall notify all vendors in the city or place where the licensee has its premises of the suspension or cancellation of the license; and no employee shall allow or cause any liquor to be delivered to or for any person at the premises of that licensee.

(5) Unless sooner canceled, every license issued by the board shall expire at midnight of the thirtieth day of June of the fiscal year for which it was issued: PROVIDED, That the foregoing expiration date shall not apply to class A, B, C, D, or H licenses issued for premises located on the site of any world exposition approved by the Bureau of International Expositions held in this state, and such licenses shall be valid without renewal for a period of two hundred days from and including the opening day of such exposition, or from and including such earlier date specified by the applicant.

(6) Every license issued under this section shall be subject to all conditions and restrictions imposed by this title or by the regulations in force from time to time.

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

(8) Before the board shall issue a license to an applicant it shall give notice of such application to the chief executive officer of the incorporated city or town, if the application be for a license within an incorporated city or town, or to the

board of county commissioners, if the application be for a license outside the boundaries of incorporated cities or towns; and such incorporated city or town, through the official or employee selected by it, or the board of county commissioners or the official or employee, selected by it, shall have the right to file with the board within twenty days after date of transmittal of such notice, written objections against the applicant or against the premises for which the license is asked, and shall include with such objections a statement of all facts upon which such objections are based, and in case written objections are filed, may request and the liquor control board may in its discretion hold a formal hearing subject to the applicable provisions of chapter 34.04 RCW, as now or hereafter amended. Upon the granting of a license under this title the board shall cause a duplicate of the license to be transmitted to the chief executive officer of the incorporated city or town in which the license is granted, or to the board of county commissioners if the license is granted outside the boundaries of incorporated cities or towns.

(9) Before the board issues any license to any applicant, it shall give due consideration to the location of the business to be conducted under such license with respect to the proximity of churches, schools and public institutions: PROVIDED, That the board shall issue no beer retailer license class A, B, or D or wine retailer license class C covering any premises not now licensed, if such premises are within five hundred feet of the premises of any church, parochial, or tax-supported public elementary or secondary school measured along the most direct route over or across established public walks, streets, or other public passageway from the outer property line of the church or school grounds to the nearest public entrance of the premises proposed for license, unless the board shall receive written notice from an official representative or representatives of the schools and/or churches within five hundred feet of said proposed licensed premises, indicating to the board that there is no objection to the issuance of such license because of proximity to a school or church. For the purpose of this section, church shall mean a building erected for and used exclusively for religious worship and schooling or other activity in connection therewith.

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

(11) It shall be unlawful to sell any intoxicating liquors, with or without a license on the grounds of any college, university, or community college supported in whole or in part by state funds, except to the extent liquor may be served but not sold under banquet permits issued pursuant to RCW 66.24.490.

#### \*Sec. 5. was vetoed, see message at end of chapter.

Sec. 6. Section 90, chapter 62, Laws of 1933 ex. sess. as last amended by section 6, chapter 217, Laws of 1937 and RCW 66.28.010 are each amended to read as follows:

No manufacturer, importer, or wholesaler, or person financially interested, directly or indirectly, in such business, whether resident or nonresident, shall have any financial interest, direct or indirect, in any licensed retail business, nor shall

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any manufacturer or wholesaler own any of the property upon which such licensed persons conduct their business, nor shall any such licensed person, under any arrangement whatsoever, conduct his business upon property in which any manufacturer or wholesaler has any interest, nor shall any manufacturer or wholesaler advance moneys or moneys' worth to any such licensed person under any arrangement whatsoever, nor shall any such licensed person receive, under any arrangement whatsoever, any such advance of moneys or moneys' worth. No manufacturer, importer, or wholesaler shall be eligible to receive or hold a retail license under this title, nor shall such manufacturer or wholesaler sell at retail any liquor as herein defined: PROVIDED, That nothing in this section shall prohibit a licensed brewer or domestic winery from being licensed as a retailer pursuant to chapter 66.24 RCW for the purpose of selling beer or wine of its own production at retail on the brewery or winery premises. Such beer and wine so sold at retail shall be subject to the taxes imposed by RCW 66.24.290 and RCW 66.24.210 and to reporting and bonding requirements as prescribed by regulations adopted by the board pursuant to chapter 34.04 RCW.

Financial interest, direct or indirect, as used in this section, shall include any interest, whether by stock ownership, mortgage, lien, or through interlocking directors, or otherwise.

Sec. 7. Section 14, chapter 21, Laws of 1969 ex. sess. as amended by section 3, chapter 275, Laws of 1969 ex. sess. and RCW 66.28.025 are each amended to read as follows:

No manufacturer of wine, or person financially interested, directly, in such business, whether resident or nonresident, shall have any financial interest, direct or indirect, in the business of any licensed wine wholesaler, nor shall any manufacturer of wine own any of the property upon which such licensed persons conduct their business, nor shall any such licensed person under any arrangement whatsoever, conduct his business upon property in which any manufacturer of wine has any interest, nor shall any manufacturer of wine advance money or moneys' worth other than such credit allowances customarily extended in the ordinary course of such business between wholesalers and manufacturers on purchases of inventories to any such licensed person under any arrangement whatsoever, nor shall any such licensed person receive, under any arrangement whatsoever, any such advance of money or moneys' worth other than such credit allowances: PROVIDED, That the provisions of this section shall not ((apply to any)) require the divesting of any such financial interest or arrangement which was held by any licensed liquor importer, beer importer, beer wholesaler, wine wholesaler, domestic winery or domestic brewery ((which was licensed)) as of ((the date of passage of this 1969 amendatory act)) July 1, 1969: PROVIDED FUR-THER, That in the event of the sale of such business licensed as a liquor importer, beer importer, beer wholesaler, wine wholesaler, domestic winery or domestic brewery the exclusion of the foregoing proviso shall not apply.

Sec. 8. Section 27–D added to chapter 62, Laws of 1933 ex. sess. by section 8, chapter 172, Laws of 1939 as amended by section 6, chapter 21, Laws of 1969 ex. sess. and RCW 66.28.030 are each amended to read as follows:

Every licensed brewer, domestic winery, manufacturer holding a certificate of approval, licensed wine importer and licensed beer importer shall be responsible

for the conduct of any licensed beer or wine wholesaler in selling, or contracting to sell, to retail licensees, beer or wine manufactured by such brewer, domestic winery, manufacturer holding a certificate of approval or imported by such beer or wine importer. Where the board finds that any licensed beer or wine wholesaler has violated any of the provisions of this title or of the regulations of the board in selling or contracting to sell beer or wine to retail licensees, the board may, in addition to any punishment inflicted or imposed upon such wholesaler, prohibit the sale of the brand or brands of beer or wine involved in such violation to any or all retail licensees within the trade territory usually served by such wholesaler for such period of time as the board may fix, irrespective of whether the brewer manufacturing such beer or the beer importer importing such beer or the domestic winery manufacturing such wine or the wine importer importing such wine <u>or the</u> certificate of approval holder manufacturing such beer or wine actually participated in such violation.

NEW SECTION. Sec. 9. There is added to chapter 62, Laws of 1933 ex. sess. and to chapter 66.28 RCW a new section to read as follows:

The legislature finds the furnishing of samples of liquor to the state liquor control board is an integral and essential part of the operation of the state liquor business. The legislature further finds that it is necessary to establish adequate standards for the accountability of the receipt, use and disposition of liquor samples. The board shall adopt appropriate regulations pursuant to chapter 34.04 RCW for the purpose of carrying out the provisions of this section.

Sec. 10. Section 30, chapter 62, Laws of 1933 ex. sess. as last amended by section 7, chapter 21, Laws of 1969 ex. sess. and RCW 66.28.040 are each amended to read as follows:

No brewer, wholesaler, distiller, winery, <u>importer</u>, rectifier, or other manufacturer of liquor shall, within the state, by himself, his clerk, servant, or agent, give to any person any liquor; but nothing in this section shall prevent the furnishing of samples of liquor to the board for the purpose of negotiating the sale of liquor to the state liquor control board, and nothing in this section shall prevent a brewer from serving beer without charge, on the brewery premises ((to employees and casual visitors)), and nothing in this ((act)) section shall prevent a domestic winery from ((selling or)) serving wine ((of its own production)) without charge, on the winery premises ((to employees and casual visitors. Such wine so sold shall be subject to the tax imposed by RCW 66.24.210)).

<u>NEW SECTION.</u> Sec. 11. There is added to chapter 62, Laws of 1933 ex. sess. and to chapter 66.24 RCW a new section to read as follows:

The board may refund the tax on wine imposed by RCW 66.24.210, and the tax on beer imposed by RCW 66.24.290, when such taxpaid products have been deemed to be unsalable and are destroyed within the state in accordance with procedures established by the board.

<u>NEW SECTION.</u> Sec. 12. There is added to chapter 62, Laws of 1933 ex. sess. and to chapter 66.24 RCW a new section to read as follows:

There shall be a spirituous liquor retailer's license to be designated as class K; a special license to a nonprofit organization to sell spirituous liquor as defined in RCW 66.24.410 by the glass, including mixed drinks and cocktails compounded

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or mixed on the premises only, to their members and invited guests at special occasions at a specified date and place when said special occasion is not open to the general public; fee twenty-five dollars per day. Sale, service, and consumption of spirituous liquor is to be confined to specified premises or designated areas only. Spirituous liquor so sold shall be purchased at a state liquor store or agency without discount at retail prices including all taxes. No more than two such licenses may be issued to any one non-profit organization during a calendar year.

NEW SECTION. Sec. 13. If any phrase, clause, subsection, or section of this 1975 amendatory act shall be declared unconstitutional or invalid by any court of competent jurisdiction, it shall be conclusively presumed that the legislature would have enacted this 1975 amendatory act without the phrase, clause, subsection, or section so held unconstitutional or invalid and the remainder of the act shall not be affected as a result of said part being held unconstitutional or invalid.

<u>NEW SECTION.</u> Sec. 14. This 1975 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1975.

Passed the Senate May 27, 1975.

Passed the House May 23, 1975.

Approved by the Governor June 4, 1975, with the exception of section 5 which is vetoed.

Filed in Office of Secretary of State June 4, 1975.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section Substitute Senate Bill No. 2423 entitled:

"AN ACT Relating to intoxicating liquor."

Section 5 of the bill includes a provision prohibiting hereafter the sale of liquor on any state college, university, or community college campus. I believe this is an unduly broad restriction that fails to take account of unique circumstances in individual communities.

The Liquor Control Board has operated capably without such restriction in determining where and under what circumstances liquor should be sold to adults. The question of whether liquor should be sold on campuses of state supported institutions of higher education should continue to be within the jurisdiction of the Board, which is in a better position to decide on the appropriate response in each individual case. If there is a potential problem of minors attempting to purchase liquor on a particular campus, I am certain the Board will weigh that factor in deciding ultimately whether the sale of liquor on that campus should be allowed. I am likewise certain that the Board will take into consideration individual community acceptance of the sale of liquor on a campus.

For these reasons I have determined to veto section 5. With that exception, the remainder of Substitute Senate Bill No. 2423 is approved."

### CHAPTER 174

[Engrossed Substitute Senate Bill No. 2463] VOCATIONAL EDUCATION—COMMISSION ESTABLISHED COORDINATING COUNCIL ABOLISHED

AN ACT Relating to vocational education; creating the commission for vocational education; transferring certain powers, duties, responsibilities, personnel, funds and equipment; amending section