CHAPTER 160

[Engrossed Substitute Senate Bill No. 3101] LIQUOR CONTROL BOARD—LOTTERY SERVICES—LIQUOR LICENSES— EXPIRATION—RENEWAL—PROXIMITY TO CERTAIN BUSINESSES OR SCHOOLS

AN ACT Relating to the powers of the state liquor control board to issue licenses and perform services for the state lottery commission; amending section 69, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 173, Laws of 1975 1st ex. sess. and RCW 66.08.050; amending section 4, chapter 6, Laws of 1961 ex. sess. as amended by section 1, chapter 239, Laws of 1963 and RCW 66.08.026; and amending section 27, chapter 62, Laws of 1933 ex. sess. as last amended by section 2, chapter 85, Laws of 1982 and RCW 66.24.010.

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

Sec. 1. Section 69, chapter 62, Laws of 1933 ex. sess. as last amended by section 1, chapter 173, Laws of 1975 1st 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 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 services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;

(10) 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 4, chapter 6, Laws of 1961 ex. sess. as amended by section 1, chapter 239, Laws of 1963 and RCW 66.08.025 are each amended to read as follows:

All administrative expenses of the board incurred on and after April 1, 1963 shall be appropriated and paid from the liquor revolving fund. These administrative expenses shall include, but not be limited to: The salaries and expenses of the board and its employees, the cost of establishing, leasing, maintaining, and operating state liquor stores and warehouses, legal services, annual or other audits, and other general costs of conducting the business of the board. The administrative expenses shall not, however, be deemed to include costs of liquor and lottery tickets purchased, the cost of transportation and delivery to the point of distribution, other costs pertaining to the acquisition and receipt of liquor and lottery tickets, packaging and repackaging of liquor, sales tax, and those amounts distributed pursuant to RCW 66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220.

Sec. 3. Section 27, chapter 62, Laws of 1933 ex. sess. as last amended by section 2, chapter 85, Laws of 1982 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. For the purpose of reviewing any application for a license and for considering the denial, suspension or revocation of any license, the liquor control board may consider any prior criminal conduct of the applicant and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases. The board may, in its discretion, grant or refuse the license applied for. No retail license of any kind may be issued to:

(a) 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;

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

(c) 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;

(d) A corporation, unless 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 request the appointment of administrative law judges under chapter 34.12 RCW 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 and mileage each way to and from any such inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.04.105, as now or hereafter amended. 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 administrative law judges, 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 administrative law judge, 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 may allow or cause any liquor to be delivered to or for any person at the premises of that licensee.

(5) ((The board shall assign to each business an expiration date for all licenses or certificates of approval covered by this title. Following the assignment, unless sooner canceled, every license or certificate of approval issued by the board shall expire at midnight of the last day of the month on the twelfth month subsequent to issue.

(a) Each business shall be assigned a license or certificate of approval expiration date according to the schedule following below in this subsection. Fees for such licenses or certificates of approval shall be charged at full annual rate as outlined in chapter 66.24 RCW. The board shall prorate license or certificate of approval fees as necessary to implement the reassignment of expiration dates and to maintain the date assignment of each.

(i) New applicants; last day of the month of approval and issuance:

(ii) Existing business; distributed evenly on a monthly basis throughout the year.

(iii) New businesses; expiration date shall be adjusted as required to conform to a date simultaneous to the majority of the applicant's business branches:

(iv) Supplemental license(s); shall expire on the same date as the master.

(b) The board will consider requests from applicants for exceptions to assigned renewal dates. Approval shall be at the discretion of the board.

(c) All applications shall be submitted with a full year's fee for the type of license or certificate of approval for which the type of application is intended.

(d) All licenses or certificates of approval presently issued and covered under this title unless sooner discontinued or canceled shall be assigned not later than July 1, 1983, a license expiration date:

(c) Licenses issued under the provisions of RCW 66.24.310, as now or hereafter amended, are excluded from provisions of this subsection and unless sooner canceled shall expire at midnight of the thirtieth day of June of the fiscal year for which issued.)) (a) At the time of the original issuance of a class H license, the board shall prorate the license fee charged to the new licensee according to the number of calendar quarters, or portion thereof, remaining until the first renewal of that license is required. (b) 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. However, if the board deems it feasible and desirable to do so, it may establish, by rule pursuant to chapter 34.04 RCW, a system for staggering the annual renewal dates for any and all licenses authorized by this chapter. If such a system of staggered annual renewal dates is established by the board, the license fees provided by this chapter shall be appropriately prorated during the first year that the system is in effect.

(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

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city or town, if the application be for a license within an incorporated city or town, or to the county legislative authority, 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 county legislative authority 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 Title 34 RCW, as now or hereafter amended. Upon the granting of a license under this title the board shall send a duplicate of the license or written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority 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 (a) 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 and (b) written notice by certified mail of the application to churches, schools, and public institutions within five hundred feet of the premises to be licensed. The board shall issue no beer retailer license class A, B, D, or E or wine retailer license class C or F or class H license 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, and if, after receipt by the school((, church,)) or public institution of the notice as provided in this subsection, the board receives written notice, within twenty days after posting such notice, from an official representative or representatives of the school((s and/or churches)) within five hundred feet of said proposed licensed premises, indicating to the board that there is an 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. No liquor license may be issued or reissued by the board to any motor sports facility or licensee operating within the motor sports facility unless the motor sports facility enforces a program reasonably calculated to prevent alcohol or alcoholic beverages not purchased within the facility from entering the facility and such program is approved by local law enforcement agencies. It is the intent under this subsection that a retail

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license shall not be issued by the board where doing so would, in the judgment of the board, adversely affect a private school meeting the requirements for private schools under Title 28A RCW, which school is within five hundred feet of the proposed licensee. The board shall fully consider and give substantial weight to objections filed by private schools. If a license is issued despite the proximity of a private school, the board shall state in a letter addressed to the private school the board's reasons for issuing the license.

(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.

Passed the Senate April 24, 1983. Passed the House April 21, 1983. Approved by the Governor May 6, 1983. Filed in Office of Secretary of State May 6, 1983.

CHAPTER 161

[Engrossed Second Substitute Senate Bill No. 3245] HOUSING FINANCE COMMISSION—HOUSING FINANCE PLAN— RESIDENTIAL PURCHASE AND CONSTRUCTION ASSISTANCE—BONDS— AUDIT

AN ACT Relating to housing financing; amending section 9, chapter 10, Laws of 1982 and RCW 42.17.240; amending section 4, chapter 95, Laws of 1895 as last amended by section 1, chapter 167, Laws of 1979 ex. sess. and RCW 4.92.040; adding a new chapter to Title 43 RCW; adding a new section to chapter 82.04 RCW; adding a new section to chapter 84.36 RCW; adding a new section to chapter 43.21C RCW; providing an effective date; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. DECLARATION OF PUBLIC POLI-CIES——PURPOSE. It is declared to be the public policy of the state and a recognized governmental function to assist in making affordable and decent housing available throughout the state and by so doing to contribute to the general welfare. Decent housing for the people of our state is a most important public concern. Interest rates and construction costs have made it impossible for many Washington citizens to purchase their own homes. Older people, disabled persons, and low and moderate income families often cannot afford to rent decent housing. There exists throughout the state a serious shortage of safe, sanitary and energy efficient housing available at prices within the financial means of our citizens. General economic development within the state is also impeded by a lack of affordable housing. The state's economy, which is dependent on the timber, wood products, and construction industries, has been damaged by inadequate investment in