



Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-01-2012

Subject: Contract Liquor Stores
Effective Date: March 14, 2012
Ending Date: Upon adoption of rules to implement this policy.

Approved:



Sharon Foster, Chairman


Ruthann Kurose, Board Member


Chris Marr, Board Member

Purpose:

Initiative 1183 passed November 8, 2011, privatizing liquor sales and distribution in the state of Washington. There are currently 162 contract liquor stores owned and operated by nonemployee liquor store operators (contract liquor store managers). The initiative directs the board to complete an orderly transition from the current state-controlled system to the private license system of spirits retailing and distribution by June 1, 2012. The initiative also allows a current contract liquor store manager to obtain a spirits retail license without meeting the minimum 10,000 square foot size requirement.

Policy Statement:

This policy memorializes the direction the board is taking in implementation of I-1183. These issues have been discussed with the contract liquor store managers:

- If a contract liquor store manager is considering relocating in their same town or community they must obtain board approval and complete their relocation prior to June 1, 2012, in order to receive the exception to the minimum 10,000 square foot requirement for a spirits retail liquor license. All other requirements for a spirits retail liquor license must be met before a license is issued.
- A former contract liquor store manager or new owner of the "right" may relocate their business after June 1, 2012, in their existing "market area".

"Market area" will be defined in permanent rules at the same time "trade area" is defined.

- The board has determined that current contract liquor store managers have the right to transfer or sell their business to a qualified liquor applicant. The buyer of the current contract liquor store would be granted the exception to the minimum 10,000 square foot requirement. The buyer must obtain a spirits retail liquor license from the board prior to any spirits sales.