

Liquor Sales by Licensed Retailers

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

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

Statement for

Four Good Reasons to Support 261:

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

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

2. 261 will result in lower liquor prices.

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

3. 261 will benefit the state economy.

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

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

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

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

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

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

The Law as it now exists:

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

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

This Initiative would repeal the existing statutes relating to state liquor stores and agency vendors and would, henceforth, prohibit the state from reselling liquor either through its own stores or through agency vendors. Among the effects of this action would be an elimination of the legal basis for the existing price discount applicable to liquor sales by the liquor board to all organizations such as hotels, restaurants and clubs which are licensed to sell spirituous liquor by the drink, and a repeal of the present statutory prohibition against sales of such liquor by the bottle on Sundays. Subject to the payment of licensing and brand registration fees to be fixed by the legislature, the initiative would allow all retailers presently holding licenses to sell beer and wine in bottles or other original containers at retail (except those licensed to sell beer or wine for on-premises consumption) to sell other intoxicating liquors at retail as well, and would also provide for the licensing of retail stores having as their primary business the sale of beer, wine and other liquor at retail. All such sales, in addition to being subject to the general state retail sales tax, would also be made subject to the same special excise taxes as now apply to retail sales of intoxicating liquor by state liquor stores and authorized agency vendors.

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

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

Statement against

Vote Against Initiative 261 for These Reasons:

1. It Increases Taxes and Boosts Liquor Prices.

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

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

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

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

2. It Gives Away Your Millions to Private Interests.

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

3. It Will Increase the Drinking Problem.

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

4. State Selection Better; Prices Less Than Grocers.

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

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

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

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

COMPLETE TEXT OF

Initiative Measure **258**

Ballot Title as issued by the Attorney General:

Certain Cities—Greyhound Racing Franchises

AN ACT authorizing each city with a population over 150,000 to grant one franchise permitting greyhound racing meets; prescribing qualifications for franchises; authorizing pari-mutuel wagering; allowing franchisees ten percent of all moneys wagered; requiring payment of a tax of five percent of pari-mutuel machine gross receipts in lieu of all other taxes to the licensing city; authorizing the licensing city to pay not to exceed two and one-half percent of the net tax after subtracting costs to the county; and repealing inconsistent acts.

BE IT ENACTED, by the people of the State of Washington:

<u>NEW SECTION</u>. Section 1. There is added to Title 67 RCW a new chapter as set forth in Sections 2 through 7 of this Act.

<u>NEW SECTION.</u> Sec. 2. Each city of the State of Washington of over one hundred fifty thousand population may grant not more than one franchise for conducting greyhound racing meets. A franchise once granted shall continue in effect so long as the holder thereof shall comply with all applicable laws of the state and the licensing municipality relating to greyhound racing, or until the right thereunder shall terminate by operation of law making greyhound racing unlawful, or forfeiture of the franchise by the holder thereof.

<u>NEW SECTION.</u> Sec. 3. Any person who is, any unincorporated entity all of whose members are, or any corporation more than sixty per cent of whose stock is owned by persons who are and have been citizens, residents and qualified electors of the State of Washington for five years, desiring to conduct greyhound racing in any city authorized to grant a franchise shall file an application with such cities' licensing authority under such rules and regulations as it may prescribe not inconsistent with this chapter: PROVIDED, That all greyhound racing shall be conducted between the hours of 7:00 PM and midnight.

<u>NEW SECTION.</u> Sec. 4. Any franchise holder conducting a greyhound racing meet may provide a place in the race meeting enclosure for the conducting and supervision of the pari-mutuel system of wagering and the same shall be lawful, other statutes of the state notwithstanding.

<u>NEW SECTION.</u> Sec. 5. Each franchise holder under the provisions of this chapter shall withhold and retain for his, their or its own use and benefit ten per cent of all moneys wagered. In addition to any license fees levied hereunder by the licensor, the franchise holder shall withhold and pay to the licensing city five per cent of the gross receipts of all pari-mutuel machines at each race meet as a privilege tax: PROVIDED, That such licensor may pay not to exceed two and one-half per cent of such net tax after payment of all costs of granting and supervising the franchise to the county within which the race meeting enclosure is located.

<u>NEW SECTION.</u> Sec. 6. The tax provided in this chapter for a race meeting licensed hereunder shall be in lieu of all other licenses, privilege taxes, or charges by the state or any subdivision thereof for the privilege of conducting a race meet.

<u>NEW SECTION.</u> Sec. 7. Every greyhound race meet held in this state contrary to the provisions of this chapter is declared to be a public nuisance.

<u>NEW SECTION.</u> Sec. 8. If any provision of this Act, or its application to any person or circumstance is held invalid, the remainder of this Act, or the application of the provisions to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 9. All acts or parts of acts inconsistent with the provisions of this Act are hereby repealed.

EXPLANATORY COMMENT

Initiative Measure No. 258 filed in the office of the Secretary of State as of January 7, 1972.

Sponsors filed 151,916 supporting signatures as of July 5, 1972.

Signatures found sufficient. Measure then certified to the November 7, 1972 state general election for approval or rejection by the voters.

COMPLETE TEXT OF

Initiative Measure **261**

Ballot Title as issued by the Attorney General:

Liquor Sales by Licensed Retailers

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

BE IT ENACTED, by the people of the State of Washington:

SECTION 1. That RCW 66.16 (RCW 66.16.010 through RCW 66.16.090 inclusive) Enacted by Law Extraordinary Session 1933, Chapter 62, as amended, be repealed and that the State of Washington be prohibited from operating state liquor stores for the sale of liquor.

SECTION 2. That RCW 82.08.020 be amended so that the retail sales tax which now is applicable to the sale of intoxicating liquor by Washington State Liquor Stores be made applicable to sale of intoxicating liquor at retail.

SECTION 3. That the Washington State Legislature is hereby empowered to determine a licensing fee for retailers of liquor and a registration fee for the registration of each brand or label of liquor to be sold in the State of Washington. SECTION 4. That all Washington State retailers holding a Class E license to sell beer at retail or those Washington State retailers holding a Class F license to sell wine at retail, excepting those Class E and Class F license holders who are allowed to sell beer or wine for on-premises consumption, will be allowed to sell intoxicating liquor at retail if they comply with the licensing requirement of Section 3 hereof, and further that the legislature of the State of Washington is hereby empowered to establish licensing requirements for retail stores which will sell as their primary business beer, wine and liquor at retail.

SECTION 5. That Washington State is prohibited from the reselling of any liquor, either at retail or wholesale.

SECTION 6. That the provisions of this initiative shall become effective July 1, 1973.

SECTION 7. That the Washington State Legislature may pass such laws or resolutions implementing this initiative as may be desirable or necessary to effectuate its purpose.

EXPLANATORY COMMENT

Initiative Measure No. 261 filed in the office of the Secretary of State as of January 11, 1972.

Sponsor filed 122,241 supporting signatures as of January 11, 1972.

Signatures found sufficient. Measure then certified to the November 7, 1972 state general election for approval or rejection by the voters.

COMPLETE TEXT OF

Initiative Measure

Ballot Title as issued by the Attorney General:

Disclosure—Campaign Finances-Lobbying-Records

AN ACT relating to campaign financing, activities of lobbyists, access to public records, and financial affairs of elective officers and candidates; requiring disclosure of sources of campaign contributions, objects of campaign expenditures; and amounts thereof; limiting campaign expenditures; regulating the activities of lobbyists and requiring reports of their expenditures; restricting use of public funds to influence legislative decisions; governing access to public records; specifying the manner in which public agencies will maintain such records; requiring disclosure of elective officials' and candidates' financial interests and activities; establishing a public disclosure commission to administer the act; and providing civil penalties.

BE IT ENACTED, by the people of the State of Washington:

SECTION 1. Declaration of Policy. It is hereby declared by the sovereign people to be the public policy of the State of Washington: (1) That political campaign and lobbying contributions and expenditures be fully disclosed to the public and that secrecy is to be avoided.

(2) That the people have the right to expect from their elected representatives at all levels of government the utmost of integrity, honesty and fairness in their dealings.

(3) That the people shall be assured that the private financial dealings of their public officials, and of candidates for those offices, present no conflict of interest between the public trust and private interests.

(4) That our representative form of government is founded on a belief that those entrusted with the offices of government have nothing to fear from full public disclosure of their financial and business holdings, provided those officials deal honestly and fairly with the people.

(5) That public confidence in government at all levels is essential and must be promoted by all possible means.

(6) That public confidence in government at all levels can best be sustained by assuring the people of the impartiality and honesty of the officials in all public transactions and decisions.

(7) That the concept of attempting to increase financial participation of individual contributors in political campaigns is encouraged by the passage of the Revenue Act of 1971 by the Congress of the United States, and in consequence thereof, it is desirable to have implementing legislation at the state level.

(8) That the concepts of disclosure and limitation of election campaign financing are established by the passage of the Federal Election Campaign Act of 1971 by the Congress of the United States, and in consequence thereof it is desirable to have implementing legislation at the state level.

(9) That small contributions by individual contributors are to be encouraged, and that not requiring the reporting of small contributions may tend to encourage such contributions.

(10) That the public's right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private.

(11) That, mindful of the right of individuals to privacy and of the desirability of the efficient administration of government, full access to information concerning the conduct of government on every level must be assured as a fundamental and necessary precondition to the sound governance of a free society.

The provisions of this act shall be liberally construed to promote complete disclosure of all information respecting the financing of political campaigns and lobbying, and the financial affairs of elected officials and candidates, and full access to public records so as to assure continuing public confidence in fairness of elections and governmental processes, and so as to assure that the public interest will be fully protected.

SECTION 2. DEFINITIONS. (1) "Agency" includes all state agencies and all local agencies. "State agency" includes every state office, public official, department, division, bureau, board, commission or other state agency. "Local agency" includes every county, city, city and county, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public 'agency.

(2) "Ballot proposition" means any "measure" as defined by R.C.W. 29.01.110, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of any specific constituency which has been filed with the appropriate election officer of that constituency.

(3) "Campaign depository" means a bank designated by a candidate or political committee pursuant to section 5 of this act.

(4) "Campaign treasurer" and "deputy campaign treasurer" mean the individuals appointed by a candidate or political