
SENATE BILL 5490

State of Washington**54th Legislature****1995 Regular Session****By** Senator Pelz; by request of Governor Lowry

Read first time 01/24/95. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to the privatization of the state's retail liquor
2 stores; amending RCW 66.04.010, 66.08.020, 66.08.050, 41.40.150,
3 66.24.010, 66.16.010, 66.16.030, 66.16.040, 66.16.110, 66.20.160,
4 66.20.170, 66.20.180, 66.20.190, 66.20.200, 66.20.210, 66.44.150,
5 66.08.150, 66.24.410, 66.24.440, 66.24.510, 66.24.540, 66.08.190,
6 82.08.150, 66.08.030, 66.12.110, and 66.12.120; reenacting and amending
7 RCW 66.20.010; adding a new section to chapter 66.24 RCW; adding a new
8 section to chapter 43.19 RCW; adding new sections to chapter 41.40 RCW;
9 adding a new chapter to Title 66 RCW; creating new sections; providing
10 effective dates; and declaring an emergency.

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

12 NEW SECTION. **Sec. 1.** The legislature finds that the operation of
13 state government will be improved by allowing franchisees, licensed and
14 regulated by the state, to sell spirits at retail, but that to ensure
15 the health and safety of the public, the state should continue to
16 control wholesale sales of spirits, strong beer, and alcohol.

17 In providing for the retail sale of spirits through franchisees, it
18 is the intent of the legislature to maintain its authority and control,
19 as established under the United States Constitution, over the

1 management of activities related to the sale of liquor. The
2 legislature further intends to maintain current levels of revenue to
3 the state from the sale of spirits, provide a system of controls to
4 discourage the intemperate use of liquor, and obtain funds from the
5 issuance of franchises to provide for alcohol abuse prevention and
6 treatment programs and activities. In issuing franchises for the
7 retail sale of spirits, it is the intent of the legislature to provide
8 measures to protect the public health and safety. Such measures
9 include requiring franchisees to use the state s current trained and
10 knowledgeable retail liquor sales work force following privatization.

11

PART 1 - DEFINITIONS

12 **Sec. 101.** RCW 66.04.010 and 1991 c 192 s 1 are each amended to
13 read as follows:

14 In this title, unless the context otherwise requires:

15 (1) "Alcohol" is that substance known as ethyl alcohol, hydrated
16 oxide of ethyl, or spirit of wine, which is commonly produced by the
17 fermentation or distillation of grain, starch, molasses, or sugar, or
18 other substances including all dilutions and mixtures of this
19 substance. The term "alcohol" does not include alcohol in the
20 possession of a manufacturer or distiller of alcohol fuel, as described
21 in RCW 66.12.130, which is intended to be denatured and used as a fuel
22 for use in motor vehicles, farm implements, and machines or implements
23 of husbandry.

24 (2) "Beer" means any malt beverage or malt liquor as these terms
25 are defined in this chapter.

26 (3) "Brewer" means any person engaged in the business of
27 manufacturing beer and malt liquor.

28 (4) "Board" means the liquor control board, constituted under this
29 title.

30 (5) "Club" means an organization of persons, incorporated or
31 unincorporated, operated solely for fraternal, benevolent, educational,
32 athletic or social purposes, and not for pecuniary gain.

33 (6) "Consume" includes the putting of liquor to any use, whether by
34 drinking or otherwise.

35 (7) "Dentist" means a practitioner of dentistry duly and regularly
36 licensed and engaged in the practice of his profession within the state
37 pursuant to chapter 18.32 RCW.

1 (8) "Distiller" means a person engaged in the business of
2 distilling spirits.

3 (9) "Druggist" means any person who holds a valid certificate and
4 is a registered pharmacist and is duly and regularly engaged in
5 carrying on the business of pharmaceutical chemistry pursuant to
6 chapter 18.64 RCW.

7 (10) "Drug store" means a place whose principal business is, the
8 sale of drugs, medicines and pharmaceutical preparations and maintains
9 a regular prescription department and employs a registered pharmacist
10 during all hours the drug store is open.

11 (11) "Employee" means any person employed by the board, including
12 a vendor, as hereinafter in this section defined.

13 (12) "Franchise" means the privilege of selling spirits and strong
14 beer in original packages for off-premises consumption and the sale of
15 alcohol to holders of a permit to purchase.

16 (13) "Franchise applicant" means any person who bids for a
17 franchise to sell spirits, strong beer, and alcohol in accordance with
18 the provisions of this title.

19 (14) "Franchise area" means a geographic area designated as such by
20 the board for the purpose of issuing franchises.

21 (15) "Franchisee" means the holder of a franchise to sell spirits
22 and strong beer in original packages for off-premises consumption and
23 the sale of alcohol to holders of a permit to purchase.

24 (16) "Fund" means 'liquor revolving fund.'

25 (~~(13)~~) (17) "Hotel" means every building or other structure kept,
26 used, maintained, advertised or held out to the public to be a place
27 where food is served and sleeping accommodations are offered for pay to
28 transient guests, in which twenty or more rooms are used for the
29 sleeping accommodation of such transient guests and having one or more
30 dining rooms where meals are served to such transient guests, such
31 sleeping accommodations and dining rooms being conducted in the same
32 building and buildings, in connection therewith, and such structure or
33 structures being provided, in the judgment of the board, with adequate
34 and sanitary kitchen and dining room equipment and capacity, for
35 preparing, cooking and serving suitable food for its guests: PROVIDED
36 FURTHER, That in cities and towns of less than five thousand
37 population, the board shall have authority to waive the provisions
38 requiring twenty or more rooms.

39 (~~(14)~~) (18) "Imprisonment" means confinement in the county jail.

1 (~~(15)~~) (19) "Liquor" includes the four varieties of liquor herein
2 defined (alcohol, spirits, wine and beer), and all fermented,
3 spirituous, vinous, or malt liquor, or combinations thereof, and mixed
4 liquor, a part of which is fermented, spirituous, vinous or malt
5 liquor, or otherwise intoxicating; and every liquid or solid or
6 semisolid or other substance, patented or not, containing alcohol,
7 spirits, wine or beer, and all drinks or drinkable liquids and all
8 preparations or mixtures capable of human consumption, and any liquid,
9 semisolid, solid, or other substance, which contains more than one
10 percent of alcohol by weight shall be conclusively deemed to be
11 intoxicating. Liquor does not include confections or food products
12 that contain one percent or less of alcohol by weight.

13 (~~(16)~~) (20) "Manufacturer" means a person engaged in the
14 preparation of liquor for sale, in any form whatsoever.

15 (~~(17)~~) (21) "Malt beverage" or "malt liquor" means any beverage
16 such as beer, ale, lager beer, stout, and porter obtained by the
17 alcoholic fermentation of an infusion or decoction of pure hops, or
18 pure extract of hops and pure barley malt or other wholesome grain or
19 cereal in pure water containing not more than eight percent of alcohol
20 by weight, and not less than one-half of one percent of alcohol by
21 volume. For the purposes of this title, any such beverage containing
22 more than eight percent of alcohol by weight shall be referred to as
23 "strong beer."

24 (~~(18)~~) (22) "Package" means any container or receptacle used for
25 holding liquor.

26 (~~(19)~~) (23) "Permit" means a permit for the purchase of liquor
27 under this title.

28 (~~(20)~~) (24) "Person" means an individual, copartnership,
29 association, or corporation.

30 (~~(21)~~) (25) "Physician" means a medical practitioner duly and
31 regularly licensed and engaged in the practice of his profession within
32 the state pursuant to chapter 18.71 RCW.

33 (~~(22)~~) (26) "Prescription" means a memorandum signed by a
34 physician and given by him to a patient for the obtaining of liquor
35 pursuant to this title for medicinal purposes.

36 (~~(23)~~) (27) "Public place" includes streets and alleys of
37 incorporated cities and towns; state or county or township highways or
38 roads; buildings and grounds used for school purposes; public dance
39 halls and grounds adjacent thereto; those parts of establishments where

1 beer may be sold under this title, soft drink establishments, public
2 buildings, public meeting halls, lobbies, halls and dining rooms of
3 hotels, restaurants, theatres, stores, garages and filling stations
4 which are open to and are generally used by the public and to which the
5 public is permitted to have unrestricted access; railroad trains,
6 stages, and other public conveyances of all kinds and character, and
7 the depots and waiting rooms used in conjunction therewith which are
8 open to unrestricted use and access by the public; publicly owned
9 bathing beaches, parks, and/or playgrounds; and all other places of
10 like or similar nature to which the general public has unrestricted
11 right of access, and which are generally used by the public.

12 ~~((+24+))~~ (28) "Regulations" means regulations made by the board
13 under the powers conferred by this title.

14 ~~((+25+))~~ (29) "Restaurant" means any establishment provided with
15 special space and accommodations where, in consideration of payment,
16 food, without lodgings, is habitually furnished to the public, not
17 including drug stores and soda fountains.

18 ~~((+26+))~~ (30) "Retail liquor store" means a specific location where
19 spirits, strong beer, and alcohol may be lawfully sold by a franchisee
20 under provisions of this title.

21 (31) "Sale" and "sell" include exchange, barter, and traffic; and
22 also include the selling or supplying or distributing, by any means
23 whatsoever, of liquor, or of any liquid known or described as beer or
24 by any name whatever commonly used to describe malt or brewed liquor or
25 of wine, by any person to any person; and also include a sale or
26 selling within the state to a foreign consignee or his agent in the
27 state. "Sale" and "sell" shall not include the giving, at no charge,
28 of a reasonable amount of liquor by a person not licensed by the board
29 to a person not licensed by the board, for personal use only. "Sale"
30 and "sell" also does not include a raffle authorized under RCW
31 9.46.0315: PROVIDED, That the nonprofit organization conducting the
32 raffle has obtained the appropriate permit from the board.

33 ~~((+27+))~~ (32) "Soda fountain" means a place especially equipped
34 with apparatus for the purpose of dispensing soft drinks, whether mixed
35 or otherwise.

36 ~~((+28+))~~ (33) "Spirits" means any beverage which contains alcohol
37 obtained by distillation, including wines exceeding twenty-four percent
38 of alcohol by volume.

1 (~~(29)~~) (34) "Store" means a state liquor store established under
2 this title.

3 (~~(30)~~) (35) "Strong beer" means malt beverage or malt liquor as
4 defined in this section that has an alcohol content of more than eight
5 percent alcohol by weight.

6 (36) "Tavern" means any establishment with special space and
7 accommodation for sale by the glass and for consumption on the
8 premises, of beer, as herein defined.

9 (~~(31)~~) (37) "Vendor" means a person employed by the board as a
10 store manager under this title.

11 (~~(32)~~) (38) "Winery" means a business conducted by any person for
12 the manufacture of wine for sale, other than a domestic winery.

13 (~~(33)~~) (39) "Domestic winery" means a place where wines are
14 manufactured or produced within the state of Washington.

15 (~~(34)~~) (40) "Wine" means any alcoholic beverage obtained by
16 fermentation of fruits (grapes, berries, apples, et cetera) or other
17 agricultural product containing sugar, to which any saccharine
18 substances may have been added before, during or after fermentation,
19 and containing not more than twenty-four percent of alcohol by volume,
20 including sweet wines fortified with wine spirits, such as port,
21 sherry, muscatel and angelica, not exceeding twenty-four percent of
22 alcohol by volume and not less than one-half of one percent of alcohol
23 by volume. For purposes of this title, any beverage containing no more
24 than fourteen percent of alcohol by volume when bottled or packaged by
25 the manufacturer shall be referred to as "table wine," and any beverage
26 containing alcohol in an amount more than fourteen percent by volume
27 when bottled or packaged by the manufacturer shall be referred to as
28 "fortified wine." However, "fortified wine" shall not include: (a)
29 Wines that are both sealed or capped by cork closure and aged two years
30 or more; and (b) wines that contain more than fourteen percent alcohol
31 by volume solely as a result of the natural fermentation process and
32 that have not been produced with the addition of wine spirits, brandy,
33 or alcohol.

34 This subsection shall not be interpreted to require that any wine
35 be labeled with the designation "table wine" or "fortified wine."

36 (~~(35)~~) (41) "Beer wholesaler" means a person who buys beer from
37 a brewer or brewery located either within or beyond the boundaries of
38 the state for the purpose of selling the same pursuant to this title,
39 or who represents such brewer or brewery as agent.

1 NEW SECTION. **Sec. 204.** FRANCHISES--ESTABLISHMENT--ADDITIONAL
2 FRANCHISES AUTHORIZED. On or after July 1, 2000, the board may offer
3 for bid franchises for up to one hundred additional retail liquor
4 stores. At the same time, retail outlets designated as liquor agencies
5 shall be offered for bid as private retail liquor stores and the
6 original one hundred sixty-four retail liquor stores shall be rebid.
7 Beginning July 1, 2005, the board may offer additional franchises based
8 on economic, demographic, and other factors.

9 NEW SECTION. **Sec. 205.** BOARD'S AUTHORITY. The board may:

10 (1) By rule, establish the franchise period, expiration date, and
11 renewal procedures;

12 (2) By rule, enforce this chapter through rule making and
13 administrative penalties;

14 (3) Enter the retail liquor store of any franchisee at any time for
15 the purpose of inspecting the retail liquor store and determining the
16 compliance of the franchisee with this title and any implementing
17 rules;

18 (4) By rule, prescribe the records to be kept by franchisees
19 relating to the purchase and sale of spirits, strong beer, and alcohol.
20 These records shall be open at all reasonable times to inspection by
21 the board.

22 (5) Adopt rules for advertising and other promotion of sales of
23 spirits, strong beer, and alcohol in accordance with RCW 66.08.060.

24 NEW SECTION. **Sec. 206.** TRANSITION--BOARD NOT TO COMPETE. (1) The
25 board shall provide an orderly transition from state liquor stores and
26 liquor agencies to franchised retail liquor stores.

27 (2) After state liquor stores are converted to franchises under
28 section 202 of this act, it is unlawful for the board to lease space
29 for or operate a state retail liquor outlet within a franchise area.

30 (3) After additional franchises are established under section 204
31 of this act, it is unlawful for the board to contract with liquor
32 agencies for the retail sale of liquor.

33 **Sec. 207.** RCW 66.08.050 and 1993 c 25 s 1 are each amended to read
34 as follows:

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

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

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

11 ~~((3))~~ (2) Establish all necessary warehouses for the storing and
12 bottling, diluting and rectifying of stocks of liquors for the purposes
13 of this title;

14 ~~((4))~~ (3) Provide for the leasing for periods not to exceed ten
15 years of all premises required for the conduct of the business; and for
16 remodeling the same, and the procuring of their furnishings, fixtures,
17 and supplies; and for obtaining options of renewal of such leases by
18 the lessee. The terms of such leases in all other respects shall be
19 subject to the direction of the board;

20 ~~((5))~~ (4) Determine the nature, form and capacity of all packages
21 to be used for containing liquor kept for sale under this title;

22 ~~((6))~~ (5) Execute or cause to be executed, all contracts, papers,
23 and documents in the name of the board, under such regulations as the
24 board may fix;

25 ~~((7))~~ (6) Pay all customs, duties, excises, charges and
26 obligations whatsoever relating to the business of the board;

27 ~~((8))~~ (7) Require bonds from all employees in the discretion of
28 the board, and to determine the amount of fidelity bond of each such
29 employee;

30 ~~((9))~~ (8) Perform services for the state lottery commission to
31 such extent, and for such compensation, as may be mutually agreed upon
32 between the board and the commission;

33 ~~((10))~~ (9) Accept and deposit into the general fund-local account
34 and disburse, subject to appropriation, federal grants or other funds
35 or donations from any source for the purpose of improving public
36 awareness of the health risks associated with alcohol consumption by
37 youth and the abuse of alcohol by adults in Washington state. The
38 board's alcohol awareness program shall cooperate with federal and

1 state agencies, interested organizations, and individuals to effect an
2 active public beverage alcohol awareness program;

3 (10) Protect the health and safety of the public by ensuring that
4 franchisees under chapter 66.-- RCW (sections 1, 202 through 206, 208,
5 301, 302, 501, 502, 601, 701, 801, 802, and 901 through 903 of this
6 act), use, to the greatest extent possible, knowledgeable persons
7 employed by state liquor stores on the effective date of this section;
8 and

9 (11) Perform all other matters and things, whether similar to the
10 foregoing or not, to carry out the provisions of this title, and shall
11 have full power to do each and every act necessary to the conduct of
12 its business, including all buying, selling, preparation and approval
13 of forms, and every other function of the business whatsoever, subject
14 only to audit by the state auditor: PROVIDED, That the board shall
15 have no authority to regulate the content of spoken language on
16 licensed premises where wine and other liquors are served and where
17 there is not a clear and present danger of disorderly conduct being
18 provoked by such language.

19 NEW SECTION. Sec. 208. WHOLESALE PRICES--ESTABLISHMENT BY THE
20 BOARD--PURCHASES BY FRANCHISEES. The board shall establish wholesale
21 liquor prices and shall obtain if possible, upon request, any spirits
22 requested by the franchisee in full case lots. The board may assess a
23 surcharge on items not normally carried in stock. No franchisee may
24 sell any spirits, strong beer, or alcohol for a lower price than the
25 price paid to the board.

26 By January 1, 1996, the board shall specify the maximum wholesale
27 markup percentage that may be applied to the prices paid by the board
28 plus delivery charges for all spirits, strong beer, and alcohol that
29 will be sold to franchisees during the succeeding year.

30 A franchisee shall purchase all spirits, strong beer, and alcohol
31 offered for resale in this state only from the board. A franchisee
32 shall purchase all wine or beer from a source licensed by the board for
33 that purpose. All spirits, strong beer, and alcohol purchased by
34 franchisees shall be stored in the state at liquor stores operated by
35 the franchise or in warehouses licensed by the board for use in the
36 supply of stores owned by the franchisee.

1 The sale of spirits, strong beer, and alcohol from the board's
2 distribution center to franchisees and class H licensees shall be by
3 electronic fund transfer only.

4 NEW SECTION. **Sec. 209.** A new section is added to chapter 66.24
5 RCW to read as follows:

6 There shall be a retail liquor store franchise license to be
7 designated as a class U license to operate a liquor store franchise
8 issued by the board. The annual license fee for each class U retail
9 liquor license shall be one thousand five hundred dollars. Except as
10 provided in section 801 of this act, the fee shall be prorated in both
11 the first and the last years of the franchise period if either year is
12 less than a full year.

13 **PART 3 - GRANTS FOR ALCOHOL ABUSE PREVENTION AND TREATMENT**

14 NEW SECTION. **Sec. 301.** ALCOHOL ABUSE PREVENTION AND TREATMENT
15 PROGRAM--GRANTS. (1) The board shall establish and administer an
16 alcohol abuse prevention and treatment grant program. Revenues
17 generated by the sale of franchises shall be deposited in the alcohol
18 abuse prevention and treatment fund created in section 302 of this act
19 to support alcohol abuse prevention and treatment activities and
20 programs.

21 (2) After consulting with designees of the governor's council on
22 substance abuse, the board may disburse, in accordance with section 302
23 of this act, funds to eligible public agencies or private nonprofit
24 entities as grants to support alcohol abuse prevention and treatment
25 activities and programs.

26 (3) The board shall:

27 (a) Identify priorities and unmet needs for expenditure of alcohol
28 prevention and treatment funds;

29 (b) Develop and adopt the necessary rules and procedures for
30 implementation of the program; and

31 (c) Work with federal and state programs that complement or
32 facilitate carrying out the program.

33 (4) The board may contract with the division of alcohol and
34 substance abuse in the department of social and health services to
35 administer the grant program.

1 successful bidder or the successful bidder fails to pay the bid price
2 and the annual retail license fee.

3 (3) In awarding a franchise, the board shall consider protection of
4 the public health and safety by ensuring, as a term of the franchise,
5 that, to the greatest extent possible, the franchisee retains
6 knowledgeable persons employed by state liquor stores on the effective
7 date of this section.

8 NEW SECTION. **Sec. 502.** SURPLUS FIXTURES AND EQUIPMENT--SALE. The
9 board may sell surplus fixtures and equipment at state liquor stores
10 existing on the effective date of this section. Chapter 43.19 RCW
11 governing surplus state equipment and fixtures does not apply to
12 transactions under this section.

13 NEW SECTION. **Sec. 503.** A new section is added to chapter 43.19
14 RCW to read as follows:

15 This chapter does not apply to sales under section 502 of this act
16 of surplus fixtures and equipment at state liquor stores existing on
17 the effective date of this section.

18 **PART 6 - TRANSFER AND SUSPENSION OF FRANCHISES**

19 NEW SECTION. **Sec. 601.** TRANSFER OF FRANCHISES--SUBLEASING
20 PROHIBITED--SURRENDER OF RETAIL LICENSE. A franchise may be
21 transferred to any person determined by investigation of the board to
22 be qualified to hold a retail liquor store license. No franchise may
23 be transferred to a person or other entity unless the franchise holder
24 first advises the board of the holder s intent to sell or transfer and
25 the party who is to assume the franchise holder advises the board of
26 the true and exact monetary or other consideration received in exchange
27 for the franchise.

28 The board may require prior notification and approval before the
29 proposed sale of a significant portion of the outstanding or issued
30 stock of a licensed corporation or any proposed change in the officers
31 of a licensed corporation.

32 No retail liquor store license may be subleased by any franchise
33 holder. Only franchise holders are eligible to hold retail liquor
34 store licenses.

1 Any franchisee may surrender a franchise to the board at any time.
2 The board may then proceed to reissue the franchise for the remainder
3 of the franchise period by following the bidding and other procedures
4 set forth in this chapter for the initial issuance of a franchise. No
5 refund of the franchise bid will be made, but a prorated refund of the
6 license fee shall be paid.

7 **Sec. 602.** RCW 66.08.150 and 1989 c 175 s 122 are each amended to
8 read as follows:

9 (1) The action, order, or decision of the board as to any denial of
10 an application for the reissuance of a permit ~~((or))~~, license, or
11 franchise or as to any revocation, suspension, or modification of any
12 permit ~~((or))~~, license, or franchise shall be an adjudicative
13 proceeding and subject to the applicable provisions of chapter 34.05
14 RCW.

15 ~~((1+))~~ (2) An opportunity for a hearing may be provided an
16 applicant for the reissuance of a permit ~~((or))~~, license, or franchise
17 prior to the disposition of the application, and if no such opportunity
18 for a prior hearing is provided then an opportunity for a hearing to
19 reconsider the application must be provided the applicant.

20 ~~((2+))~~ (3) An opportunity for a hearing must be provided a
21 permittee ~~((or))~~, licensee, or franchisee prior to a revocation or
22 modification of any permit ~~((or))~~, license, or franchise and, except as
23 provided in subsection (4) of this section, prior to the suspension of
24 any permit ~~((or))~~, license, or franchise.

25 ~~((3+))~~ (4) No hearing shall be required until demanded by the
26 applicant, permittee, ~~((or))~~ licensee, or franchisee.

27 ~~((4+))~~ (5) The board may summarily suspend a license ~~((or))~~,
28 permit, or franchise for a period of up to thirty days without a prior
29 hearing if it finds that public health, safety, or welfare imperatively
30 require emergency action, and incorporates a finding to that effect in
31 its order; and proceedings for revocation or other action must be
32 promptly instituted and determined.

33 In the event of the revocation or surrender of any retail liquor
34 store license, the board shall purchase, and the franchisee shall sell
35 to the board, all the spirits, strong beer, and alcohol products of
36 that franchisee based on the current board selling price for such
37 products ignoring any special discounts or inducements to the board by

1 suppliers, less any expenses incurred by the board in connection with
2 the repossession thereof.

3 **PART 7 - STATE LIQUOR STORE EMPLOYEES**

4 NEW SECTION. **Sec. 701.** EMPLOYEES OF STATE LIQUOR STORES--
5 PROVISIONS FOR CONTINUED EMPLOYMENT. The board shall protect the
6 health and safety of the public by ensuring that franchisees use in the
7 operation of retail liquor stores, to the greatest extent possible, the
8 trained, knowledgeable persons employed by state liquor stores on the
9 effective date of this section. As a condition of receiving the
10 franchise, under the franchise contract each franchisee shall agree to
11 hire the store employees who are members of the state retirement system
12 and who are working at the state liquor store at the time of the
13 transfer. For the first three years following the transition, these
14 employees shall be paid salaries and benefits comparable to what they
15 received as state employees.

16 Franchisees shall agree to employ such former state employees in
17 retail liquor stores full time or for the same number of hours worked
18 in the year before the transition for the first three years following
19 the transition unless they voluntarily resign, retire, or are
20 terminated for cause. Any such former state liquor store employee
21 terminated by a franchisee may appeal his or her termination to an
22 arbitrator to be agreed upon jointly by the affected employee and the
23 franchisee to determine whether cause for termination exists.

24 NEW SECTION. **Sec. 702.** A new section is added to chapter 41.40
25 RCW under the subtitle heading "provisions applicable to plan I and
26 plan II" to read as follows:

27 (1) The benefits under this section are available only to persons:

28 (a) Who are members of the retirement system as of the effective
29 date of this section for their employment with the liquor control
30 board; and

31 (b) Whose employment was terminated as a result of transferring
32 retail liquor sales to franchises in accordance with chapter ..., Laws
33 of 1995 (this act).

34 (2) A member who meets the conditions of subsection (1) of this
35 section may, at the time of retirement, receive an additional five
36 service credit years for the purposes of calculating a service

1 retirement benefit under RCW 41.40.185 or 41.40.620. If the member
2 makes the election, the five service credit years shall also be
3 credited for the purpose of determining the member s eligibility for
4 retirement under RCW 41.40.180, 41.40.630, and section 703 of this act.
5 A member who elects to receive the service credit under this subsection
6 is ineligible to receive the payment provided under subsection (3) of
7 this section.

8 (3) A member who meets the conditions of subsection (1) of this
9 section, who is not employed with any public retirement system
10 employer, and who applies for a refund of the member s accumulated
11 contributions under RCW 41.40.260 or 41.40.730 is eligible to receive
12 an additional payment equal to five times the member contributions paid
13 during the member s last twelve months of service. A member who elects
14 to receive the payment under this subsection is ineligible to receive
15 the additional service credit provided under subsection (2) of this
16 section.

17 NEW SECTION. **Sec. 703.** A new section is added to chapter 41.40
18 RCW under the subtitle heading "plan I" to read as follows:

19 A vested member whose service was terminated and who meets the
20 requirements of section 702(1) of this act may retire from service in
21 accordance with RCW 41.40.180. The provisions of RCW 41.40.150(3) do
22 not apply to members meeting the requirements of section 702(1) of this
23 act who retire.

24 NEW SECTION. **Sec. 704.** TRANSMITTAL OF FUNDS TO RETIREMENT SYSTEM.
25 By June 30, 1997, the state liquor control board shall transmit to the
26 public employees' retirement system plan I and plan II sufficient
27 funds, as determined by the office of the state actuary, to pay the net
28 actuarial present value of the benefits provided in the plan by this
29 act.

30 **Sec. 705.** RCW 41.40.150 and 1994 c 197 s 26 are each amended to
31 read as follows:

32 Should any member die, or should the individual separate or be
33 separated from service without leave of absence before attaining age
34 sixty years, or should the individual become a beneficiary, except a
35 beneficiary of an optional retirement allowance as provided by RCW
36 41.40.188, the individual shall thereupon cease to be a member except;

1 (1) As provided in RCW 41.40.170.

2 (2) An employee not previously retired who reenters service shall
3 upon completion of six months of continuous service and upon the
4 restoration, in one lump sum or in annual installments, of all
5 withdrawn contributions: (a) With interest as computed by the
6 director, which restoration must be completed within a total period of
7 five years of membership service following the member's first
8 resumption of employment or (b) paying the amount required under RCW
9 41.50.165(2), be returned to the status, either as an original member
10 or new member which the member held at time of separation.

11 (3) A member who separates or has separated after having completed
12 at least five years of service shall remain a member during the period
13 of absence from service for the exclusive purpose of receiving a
14 retirement allowance to begin at attainment of age sixty-five, however,
15 such a member may on written notice to the director elect to receive a
16 reduced retirement allowance on or after age sixty which allowance
17 shall be the actuarial equivalent of the sum necessary to pay regular
18 retirement benefits as of age sixty-five: PROVIDED, That if such
19 member should withdraw all or part of the member's accumulated
20 contributions except those additional contributions made pursuant to
21 RCW 41.40.330(2), the individual shall thereupon cease to be a member
22 and this section shall not apply.

23 (4)(a) The recipient of a retirement allowance who is employed in
24 an eligible position other than under RCW 41.40.023(12) shall be
25 considered to have terminated his or her retirement status and shall
26 immediately become a member of the retirement system with the status of
27 membership the member held as of the date of retirement. Retirement
28 benefits shall be suspended during the period of eligible employment
29 and the individual shall make contributions and receive membership
30 credit. Such a member shall have the right to again retire if eligible
31 in accordance with RCW 41.40.180: PROVIDED, That where any such right
32 to retire is exercised to become effective before the member has
33 rendered two uninterrupted years of service the type of retirement
34 allowance the member had at the time of the member's previous
35 retirement shall be reinstated;

36 (b) The recipient of a retirement allowance elected to office or
37 appointed to office directly by the governor, and who shall apply for
38 and be accepted in membership as provided in RCW 41.40.023(3) shall be
39 considered to have terminated his or her retirement status and shall

1 become a member of the retirement system with the status of membership
2 the member held as of the date of retirement. Retirement benefits
3 shall be suspended from the date of return to membership until the date
4 when the member again retires and the member shall make contributions
5 and receive membership credit. Such a member shall have the right to
6 again retire if eligible in accordance with RCW 41.40.180: PROVIDED,
7 That where any such right to retire is exercised to become effective
8 before the member has rendered six uninterrupted months of service the
9 type of retirement allowance the member had at the time of the member's
10 previous retirement shall be reinstated, but no additional service
11 credit shall be allowed: AND PROVIDED FURTHER, That if such a
12 recipient of a retirement allowance does not elect to apply for reentry
13 into membership as provided in RCW 41.40.023(3), the member shall be
14 considered to remain in a retirement status and the individual's
15 retirement benefits shall continue without interruption.

16 (5) Any member who leaves the employment of an employer and enters
17 the employ of a public agency or agencies of the state of Washington,
18 other than those within the jurisdiction of this retirement system, and
19 who establishes membership in a retirement system or a pension fund
20 operated by such agency or agencies and who shall continue membership
21 therein until attaining age sixty, shall remain a member for the
22 exclusive purpose of receiving a retirement allowance without the
23 limitation found in RCW 41.40.180(1) to begin on attainment of age
24 sixty-five; however, such a member may on written notice to the
25 director elect to receive a reduced retirement allowance on or after
26 age sixty which allowance shall be the actuarial equivalent of the sum
27 necessary to pay regular retirement benefits commencing at age sixty-
28 five: PROVIDED, That if such member should withdraw all or part of the
29 member's accumulated contributions except those additional
30 contributions made pursuant to RCW 41.40.330(2), the individual shall
31 thereupon cease to be a member and this section shall not apply.

32 (6) This section does not apply to members retiring in accordance
33 with section 702(2) of this act.

34 **PART 8 - ACTIONS PROHIBITED BY FRANCHISEES**

35 NEW SECTION. **Sec. 801.** PROHIBITED ACTS. (1) In addition to other
36 provisions of law, it is unlawful for any franchisee, or agent or
37 employee thereof, on the franchisee s premises to:

1 (a) Sell or offer for sale any liquor other than from the original
2 package or container;

3 (b) Sell, give away, or permit the sale, gift, or procurement of
4 any liquor for or to any person under twenty-one years of age;

5 (c) Sell, give away, or permit the sale, gift, or procurement of
6 any liquor for or to any person apparently intoxicated;

7 (d) Sell or offer for sale of spirits, strong beer, or alcohol on
8 any Sunday or at other prohibited dates and times;

9 (e) Permit the consumption of any spirits, strong beer, or alcohol
10 on the premises by any person;

11 (f) Alter, change, or misrepresent the quality, quantity, or brand
12 name of any liquor with the intent to defraud;

13 (g) Permit any person under twenty-one years of age to sell or give
14 liquor to any other person, except to assist a cashier who is twenty-
15 one years of age or older; or

16 (h) Purchase or otherwise obtain liquor in any manner or from any
17 source other than that specifically authorized in this chapter.

18 (2) Violations of any provision of this chapter or any rule adopted
19 by the board, or any false statement concerning any material fact, or
20 omission of any material fact in submitting an application for a
21 franchise or license or for a renewal of a franchise or license or in
22 any hearing concerning the suspension or revocation thereof, or the
23 commission of any of the acts declared in this chapter to be unlawful
24 is subject to disciplinary action by the board, including suspension or
25 revocation of the class U license and/or franchise. No fees paid for
26 the franchise or license will be refunded. The board shall develop
27 rules to implement and enforce this subsection and may assess an
28 administrative penalty for violations.

29 (3) Nothing in this chapter or any rule of the board prevents or
30 prohibits any franchisee from employing any person who is at least
31 eighteen years of age to serve in any franchise, or from having such a
32 person assist a person twenty-one years of age or older who handles,
33 sells, or delivers spirits, strong beer, or alcohol under this chapter.

34 NEW SECTION. **Sec. 802.** RETAIL LIQUOR STORES--SEPARATION FROM
35 OTHER MERCHANDISE. Spirits, strong beer, and alcohol shall be located
36 in a separate building or be separated from the sales area of other
37 types of merchandise and shall have a separate entrance and exit and
38 its own point of sale device.

1 **Sec. 803.** RCW 66.24.010 and 1988 c 200 s 1 are each amended to
2 read as follows:

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

5 (2) For the purpose of considering any application for a license,
6 the board may cause an inspection of the premises to be made, and may
7 inquire into all matters in connection with the construction and
8 operation of the premises. For the purpose of reviewing any
9 application for a license and for considering the denial, suspension or
10 revocation of any license, the liquor control board may consider any
11 prior criminal conduct of the applicant and the provisions of RCW
12 9.95.240 and of chapter 9.96A RCW shall not apply to such cases. The
13 board may, in its discretion, grant or refuse the license applied for.
14 No retail license of any kind may be issued to:

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

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

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

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

26 (3) The board may, in its discretion, subject to the provisions of
27 RCW 66.08.150, suspend or cancel any license; and all rights of the
28 licensee to keep or sell liquor thereunder shall be suspended or
29 terminated, as the case may be. The board may request the appointment
30 of administrative law judges under chapter 34.12 RCW who shall have
31 power to administer oaths, issue subpoenas for the attendance of
32 witnesses and the production of papers, books, accounts, documents, and
33 testimony, examine witnesses, and to receive testimony in any inquiry,
34 investigation, hearing, or proceeding in any part of the state, under
35 such rules and regulations as the board may adopt.

36 Witnesses shall be allowed fees and mileage each way to and from
37 any such inquiry, investigation, hearing, or proceeding at the rate
38 authorized by RCW 34.05.446, as now or hereafter amended. Fees need

1 not be paid in advance of appearance of witnesses to testify or to
2 produce books, records, or other legal evidence.

3 In case of disobedience of any person to comply with the order of
4 the board or a subpoena issued by the board, or any of its members, or
5 administrative law judges, or on the refusal of a witness to testify to
6 any matter regarding which he may be lawfully interrogated, the judge
7 of the superior court of the county in which the person resides, on
8 application of any member of the board or administrative law judge,
9 shall compel obedience by contempt proceedings, as in the case of
10 disobedience of the requirements of a subpoena issued from said court
11 or a refusal to testify therein.

12 (4) Upon receipt of notice of the suspension or cancellation of a
13 license, the licensee shall forthwith deliver up the license to the
14 board. Where the license has been suspended only, the board shall
15 return the license to the licensee at the expiration or termination of
16 the period of suspension. The board shall notify all vendors in the
17 city or place where the licensee has its premises of the suspension or
18 cancellation of the license; and no employee may allow or cause any
19 liquor to be delivered to or for any person at the premises of that
20 licensee.

21 (5)(a) At the time of the original issuance of a class H license,
22 the board shall prorate the license fee charged to the new licensee
23 according to the number of calendar quarters, or portion thereof,
24 remaining until the first renewal of that license is required.

25 (b) Unless sooner canceled, every license issued by the board shall
26 expire at midnight of the thirtieth day of June of the fiscal year for
27 which it was issued. However, if the board deems it feasible and
28 desirable to do so, it may establish, by rule pursuant to chapter 34.05
29 RCW, a system for staggering the annual renewal dates for any and all
30 licenses authorized by this chapter. If such a system of staggered
31 annual renewal dates is established by the board, the license fees
32 provided by this chapter shall be appropriately prorated during the
33 first year that the system is in effect.

34 (6) Every license issued under this section shall be subject to all
35 conditions and restrictions imposed by this title or by the regulations
36 in force from time to time. All conditions and restrictions imposed by
37 the board in the issuance of an individual license shall be listed on
38 the face of the individual license along with the trade name, address,
39 and expiration date.

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

3 (8) Before the board shall issue a license to an applicant it shall
4 give notice of such application to the chief executive officer of the
5 incorporated city or town, if the application be for a license within
6 an incorporated city or town, or to the county legislative authority,
7 if the application be for a license outside the boundaries of
8 incorporated cities or towns; and such incorporated city or town,
9 through the official or employee selected by it, or the county
10 legislative authority or the official or employee selected by it, shall
11 have the right to file with the board within twenty days after date of
12 transmittal of such notice, written objections against the applicant or
13 against the premises for which the license is asked, and shall include
14 with such objections a statement of all facts upon which such
15 objections are based, and in case written objections are filed, may
16 request and the liquor control board may in its discretion hold a
17 formal hearing subject to the applicable provisions of Title 34 RCW, as
18 now or hereafter amended. Upon the granting of a license under this
19 title the board shall send a duplicate of the license or written
20 notification to the chief executive officer of the incorporated city or
21 town in which the license is granted, or to the county legislative
22 authority if the license is granted outside the boundaries of
23 incorporated cities or towns.

24 (9) Before the board issues any license to any applicant, it shall
25 give (a) due consideration to the location of the business to be
26 conducted under such license with respect to the proximity of churches,
27 schools, and public institutions and (b) written notice by certified
28 mail of the application to churches, schools, and public institutions
29 within five hundred feet of the premises to be licensed. The board
30 shall issue no beer retailer license class A, B, D, or E or wine
31 retailer license class C or F or class H license covering any premises
32 not now licensed, if such premises are within five hundred feet of the
33 premises of any tax-supported public elementary or secondary school
34 measured along the most direct route over or across established public
35 walks, streets, or other public passageway from the outer property line
36 of the school grounds to the nearest public entrance of the premises
37 proposed for license, and if, after receipt by the school or public
38 institution of the notice as provided in this subsection, the board
39 receives written notice, within twenty days after posting such notice,

1 from an official representative or representatives of the school within
2 five hundred feet of said proposed licensed premises, indicating to the
3 board that there is an objection to the issuance of such license
4 because of proximity to a school. For the purpose of this section,
5 church shall mean a building erected for and used exclusively for
6 religious worship and schooling or other activity in connection
7 therewith. No liquor license may be issued or reissued by the board to
8 any motor sports facility or licensee operating within the motor sports
9 facility unless the motor sports facility enforces a program reasonably
10 calculated to prevent alcohol or alcoholic beverages not purchased
11 within the facility from entering the facility and such program is
12 approved by local law enforcement agencies. It is the intent under
13 this subsection that a retail license shall not be issued by the board
14 where doing so would, in the judgment of the board, adversely affect a
15 private school meeting the requirements for private schools under Title
16 28A RCW, which school is within five hundred feet of the proposed
17 licensee. The board shall fully consider and give substantial weight
18 to objections filed by private schools. If a license is issued despite
19 the proximity of a private school, the board shall state in a letter
20 addressed to the private school the board's reasons for issuing the
21 license.

22 (10) The restrictions set forth in (~~the preceding~~) subsection (9)
23 of this section shall not prohibit the board from authorizing the
24 transfer of existing licenses now located within the restricted area to
25 other persons or locations within the restricted area: PROVIDED, Such
26 transfer shall in no case result in establishing the licensed premises
27 closer to a church or school than it was before the transfer.

28 (11) The notice requirements and restrictions in subsection (9) of
29 this section apply to the issuance of retail liquor store franchises.

30 (12) Nothing in this section prohibits the board, in its
31 discretion, from issuing a temporary retail or wholesaler license to a
32 transferee of a retail or wholesaler license to continue the operation
33 of the retail or wholesaler premises during the period a transfer
34 application for the license from person to person at the same premises
35 is pending and when the following conditions exist:

36 (a) The licensed premises has been operated under a retail or
37 wholesaler license within ninety days of the date of filing the
38 application for a temporary license;

1 (b) The retail or wholesaler license for the premises has been
2 surrendered pursuant to issuance of a temporary operating license;

3 (c) The applicant for the temporary license has filed with the
4 board an application for transfer of the retail or wholesaler license
5 at such premises to himself or herself; and

6 (d) The application for a temporary license is accompanied by a
7 temporary license fee established by the board by rule.

8 A temporary license issued by the board under this section shall be
9 for a period not to exceed sixty days. A temporary license may be
10 extended at the discretion of the board for an additional sixty-day
11 period upon payment of an additional fee and upon compliance with all
12 conditions required in this section.

13 Refusal by the board to issue or extend a temporary license shall
14 not entitle the applicant to request a hearing. A temporary license
15 may be canceled or suspended summarily at any time if the board
16 determines that good cause for cancellation or suspension exists. RCW
17 66.08.130 and chapter 34.05 RCW shall apply to temporary licenses.

18 Application for a temporary license shall be on such form as the
19 board shall prescribe. If an application for a temporary license is
20 withdrawn before issuance or is refused by the board, the fee which
21 accompanied such application shall be refunded in full.'

22 **Sec. 804.** RCW 66.16.010 and 1939 c 172 s 10 are each amended to
23 read as follows:

24 (1) There shall be established at such places throughout the state
25 as the liquor control board, constituted under this title, shall deem
26 advisable, stores to be known as "state liquor stores," for the sale of
27 liquor in accordance with the provisions of this title and the
28 regulations: PROVIDED, That the prices of all liquor shall be fixed by
29 the board from time to time so that the net annual revenue received by
30 the board therefrom shall not exceed thirty-five percent.

31 (2) The liquor control board may, from time to time, fix the
32 special price at which pure ethyl alcohol may be sold to physicians and
33 dentists and institutions regularly conducted as hospitals, for use or
34 consumption only in such hospitals; and may also fix the special price
35 at which pure ethyl alcohol may be sold to schools, colleges and
36 universities within the state for use for scientific purposes.
37 Regularly conducted hospitals may have right to purchase pure ethyl
38 alcohol on a federal permit.

1 (3) The liquor control board may also fix the special price at
2 which pure ethyl alcohol may be sold to any department, branch or
3 institution of the state of Washington, federal government, or to any
4 person engaged in a manufacturing or industrial business or in
5 scientific pursuits requiring alcohol for use therein.

6 (4) The liquor control board may also fix a special price at which
7 pure ethyl alcohol may be sold to any private individual, and shall
8 make regulations governing such sale of alcohol to private individuals
9 as shall promote, as nearly as may be, the minimum purchase of such
10 alcohol by such persons.

11 (5) Pure ethyl alcohol may be sold by retail liquor stores only to
12 permit holders at prices the retail liquor stores fix for their own
13 sales.

14 **Sec. 805.** RCW 66.16.030 and 1933 ex.s. c 62 s 6 are each amended
15 to read as follows:

16 (1) The sale of liquor at each state liquor store or liquor agency
17 shall be conducted by a person employed under this title to be known as
18 a "vendor," who shall, together with the employees under his or her
19 direction, under the regulations of the board, be responsible for the
20 carrying out of this title and the regulations, so far as they relate
21 to the conduct of the state liquor store or liquor agency and the sale
22 of liquor thereat.

23 (2) The retail liquor store franchisee is responsible for
24 compliance with this title and rules issued under it at the
25 franchisee's liquor store.

26 **Sec. 806.** RCW 66.16.040 and 1981 1st ex.s. c 5 s 8 are each
27 amended to read as follows:

28 Except as otherwise provided by law, an employee in a state liquor
29 store, retail liquor store, or liquor agency may sell liquor to any
30 person of legal age to purchase alcoholic beverages and may also sell
31 to holders of permits such liquor as may be purchased under such
32 permits.

33 Where there may be a question of a person's right to purchase
34 liquor by reason of age, such person shall be required to present any
35 one of the following officially issued cards of identification which
36 shows his/her correct age and bears his/her signature and photograph:

1 (1) Liquor control authority card of identification of any state or
2 province of Canada.

3 (2) Driver's license, instruction permit or identification card of
4 any state or province of Canada, or "identocard" issued by the
5 Washington state department of licensing pursuant to RCW 46.20.117.

6 (3) United States active duty military identification.

7 (4) Passport.

8 (5) Merchant Marine identification card issued by the United States
9 Coast Guard.

10 The board may adopt such regulations as it deems proper covering the
11 acceptance of such cards of identification.

12 ~~((No liquor sold under this section shall be delivered until the
13 purchaser has paid for the liquor in cash.))~~

14 **Sec. 807.** RCW 66.16.110 and 1993 c 422 s 2 are each amended to
15 read as follows:

16 The board shall cause to be posted in conspicuous places, in a
17 number determined by the board, within each state liquor store and
18 retail liquor store, notices in print not less than one inch high
19 warning persons that consumption of alcohol shortly before conception
20 or during pregnancy may cause birth defects, including fetal alcohol
21 syndrome and fetal alcohol effects.

22 **Sec. 808.** RCW 66.20.010 and 1984 c 78 s 6 and 1984 c 45 s 1 are
23 each reenacted and amended to read as follows:

24 Upon application in the prescribed form being made to any employee
25 authorized by the board to issue permits, accompanied by payment of the
26 prescribed fee, and upon the employee being satisfied that the
27 applicant should be granted a permit under this title, the employee
28 shall issue to the applicant under such regulations and at such fee as
29 may be prescribed by the board a permit of the class applied for, as
30 follows:

31 (1) Where the application is for a special permit by a physician or
32 dentist, or by any person in charge of an institution regularly
33 conducted as a hospital or sanitorium for the care of persons in ill
34 health, or as a home devoted exclusively to the care of aged people, a
35 special liquor purchase permit;

36 (2) Where the application is for a special permit by a person
37 engaged within the state in mechanical or manufacturing business or in

1 scientific pursuits requiring alcohol for use therein, or by any
2 private individual, a special permit to purchase alcohol for the
3 purpose named in the permit;

4 (3) Where the application is for a special permit to consume liquor
5 at a banquet, at a specified date and place, a special permit to
6 purchase liquor for consumption at such banquet, to such applicants as
7 may be fixed by the board;

8 (4) Where the application is for a special permit to consume liquor
9 on the premises of a business not licensed under this title, a special
10 permit to purchase liquor for consumption thereon for such periods of
11 time and to such applicants as may be fixed by the board;

12 (5) Where the application is for a special permit by a manufacturer
13 to import or purchase within the state alcohol, malt, and other
14 materials containing alcohol to be used in the manufacture of liquor,
15 or other products, a special permit;

16 (6) Where the application is for a special permit by a person
17 operating a drug store to purchase liquor at retail prices only, to be
18 thereafter sold by such person on the prescription of a physician, a
19 special liquor purchase permit;

20 (7) Where the application is for a special permit by an authorized
21 representative of a military installation operated by or for any of the
22 armed forces within the geographical boundaries of the state of
23 Washington, a special permit to purchase liquor for use on such
24 military installation at prices to be fixed by the board;

25 (8) Where the application is for a special permit by a
26 manufacturer, importer, wholesaler, or agent thereof, to serve liquor
27 without charge to delegates and guests at a convention of a trade
28 association composed of licensees of the board, when the said liquor is
29 served in a hospitality room or from a booth in a board-approved
30 suppliers' display room at the convention, and when the liquor so
31 served is for consumption in the said hospitality room or display room
32 during the convention, anything in Title 66 RCW to the contrary
33 notwithstanding. Any such spirituous liquor shall be purchased from
34 ~~((the board))~~ a state liquor store, a retail liquor store, a liquor
35 agency, or a class H licensee and any such beer and wine shall be
36 subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

37 (9) Where the application is for a special permit by a
38 manufacturer, importer, wholesaler, or agent thereof, to donate liquor
39 for a reception, breakfast, luncheon, or dinner for delegates and

1 guests at a convention of a trade association composed of licensees of
2 the board, when the liquor so donated is for consumption at the said
3 reception, breakfast, luncheon, or dinner during the convention,
4 anything in Title 66 RCW to the contrary notwithstanding. Any such
5 spirituous liquor shall be purchased from (~~the board~~) a state liquor
6 store, a retail liquor store, a liquor agency, or a class H licensee
7 and any such beer and wine shall be subject to the taxes imposed by RCW
8 66.24.290 and 66.24.210;

9 (10) Where the application is for a special permit by a
10 manufacturer, importer, wholesaler, or agent thereof, to donate and/or
11 serve liquor without charge to delegates and guests at an international
12 trade fair, show, or exposition held under the auspices of a federal,
13 state, or local governmental entity or organized and promoted by a
14 nonprofit organization, anything in Title 66 RCW to the contrary
15 notwithstanding. Any such spirituous liquor shall be purchased from
16 (~~the board~~) a state liquor store, a retail liquor store, a liquor
17 agency, and any such beer or wine shall be subject to the taxes imposed
18 by RCW 66.24.290 and 66.24.210;

19 (11) Where the application is for an annual special permit by a
20 person operating a bed and breakfast lodging facility to donate or
21 serve wine or beer without charge to overnight guests of the facility
22 if the wine or beer is for consumption on the premises of the facility.
23 "Bed and breakfast lodging facility," as used in this subsection, means
24 a hotel or similar facility offering from one to eight lodging units
25 and breakfast to travelers and guests.

26 **Sec. 809.** RCW 66.20.160 and 1973 1st ex.s. c 209 s 4 are each
27 amended to read as follows:

28 Words and phrases as used in RCW 66.20.160 to 66.20.210, inclusive,
29 shall have the following meaning:

30 "Card of identification" means any one of those cards described in
31 RCW 66.16.040.

32 "Licensee" means the holder of a retail liquor license issued by
33 the board, and includes any employee or agent of the licensee.

34 "~~(Store)~~ Employee" means a person employed (~~in~~) by a state
35 liquor store, retail liquor store, or liquor agency or licensee
36 authorized to sell liquor.

1 **Sec. 810.** RCW 66.20.170 and 1973 1st ex.s. c 209 s 5 are each
2 amended to read as follows:

3 A card of identification may for the purpose of this title and for
4 the purpose of procuring liquor, be accepted as an identification card
5 by any licensee or ((store)) employee and as evidence of legal age of
6 the person presenting such card, provided the licensee or ((store))
7 employee complies with the conditions and procedures prescribed herein
8 and such regulations as may be made by the board.

9 **Sec. 811.** RCW 66.20.180 and 1973 1st ex.s. c 209 s 6 are each
10 amended to read as follows:

11 A card of identification shall be presented by the holder thereof
12 upon request of any licensee, ((store)) employee, peace officer, or
13 enforcement officer of the board for the purpose of aiding the
14 licensee, ((store)) employee, peace officer, or enforcement officer of
15 the board to determine whether or not such person is of legal age to
16 purchase liquor when such person desires to procure liquor from a
17 licensed establishment ((or)), state liquor store, retail liquor store,
18 or liquor agency.

19 **Sec. 812.** RCW 66.20.190 and 1981 1st ex.s. c 5 s 9 are each
20 amended to read as follows:

21 In addition to the presentation by the holder and verification by
22 the licensee or ((store)) employee of such card of identification, the
23 licensee or ((store)) employee who is still in doubt about the true age
24 of the holder shall require the person whose age may be in question to
25 sign a certification card and record an accurate description and serial
26 number of his card of identification thereon. Such statement shall be
27 upon a five-inch by eight-inch file card, which card shall be filed
28 alphabetically by the licensee or ((store)) employee at or before the
29 close of business on the day on which the statement is executed, in the
30 file box containing a suitable alphabetical index and the card shall be
31 subject to examination by any peace officer or agent or employee of the
32 board at all times. The certification card shall also contain in bold-
33 face type a statement stating that the signer understands that
34 conviction for unlawful purchase of alcoholic beverages or misuse of
35 the certification card may result in criminal penalties including
36 imprisonment or fine or both.

1 **Sec. 813.** RCW 66.20.200 and 1994 c 201 s 1 are each amended to
2 read as follows:

3 It shall be unlawful for the owner of a card of identification to
4 transfer the card to any other person for the purpose of aiding such
5 person to procure alcoholic beverages from any licensee or ((store))
6 employee. Any person who shall permit his or her card of
7 identification to be used by another or transfer such card to another
8 for the purpose of aiding such transferee to obtain alcoholic beverages
9 from a licensee or ((store)) employee or gain admission to a premises
10 or portion of a premises classified by the board as off-limits to
11 persons under twenty-one years of age, shall be guilty of a misdemeanor
12 punishable as provided by RCW 9A.20.021, except that a minimum fine of
13 two hundred fifty dollars shall be imposed and any sentence requiring
14 community service shall require not fewer than twenty-five hours of
15 such service. Any person not entitled thereto who unlawfully procures
16 or has issued or transferred to him or her a card of identification,
17 and any person who possesses a card of identification not issued to him
18 or her, and any person who makes any false statement on any
19 certification card required by RCW 66.20.190, as now or hereafter
20 amended, to be signed by him or her, shall be guilty of a misdemeanor
21 punishable as provided by RCW 9A.20.021, except that a minimum fine of
22 two hundred fifty dollars shall be imposed and any sentence requiring
23 community service shall require not fewer than twenty-five hours of
24 such service.

25 **Sec. 814.** RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each
26 amended to read as follows:

27 No licensee or the agent or employee of the licensee, ((~~or store~~
28 ~~employee~~)) state liquor store, retail liquor store, or liquor agency
29 shall be prosecuted criminally or be sued in any civil action for
30 serving liquor to a person under legal age to purchase liquor if such
31 person has presented a card of identification in accordance with RCW
32 66.20.180, and has signed a certification card as provided in RCW
33 66.20.190.

34 Such card in the possession of a licensee may be offered as a
35 defense in any hearing held by the board for serving liquor to the
36 person who signed the card and may be considered by the board as
37 evidence that the licensee or employee acted in good faith.

1 **Sec. 815.** RCW 66.44.150 and 1955 c 289 s 5 are each amended to
2 read as follows:

3 If any person in this state buys alcoholic beverages from any
4 person other than the board, a state liquor store, retail liquor store,
5 liquor agency, or some person authorized by the board to sell them,
6 ((he)) that person shall be guilty of a misdemeanor.

7 **PART 9 - LIQUOR AGENCIES, TRIBAL STORES, AND OTHER LICENSEES**

8 NEW SECTION. **Sec. 901.** LIQUOR AGENCIES. Board-contracted liquor
9 agencies shall continue to operate under existing agreements until
10 January 1, 2001. After the effective date of this section and before
11 the end of their contract period with the board, each liquor agent
12 shall be given the option to continue to operate under existing
13 contract provisions or to enter into an agreement to purchase liquor
14 from the board for resale at the same purchase price charged
15 franchisees and at sale prices established by the vendors as long as
16 the prices are not less than the purchase price.

17 NEW SECTION. **Sec. 902.** TRIBAL STORES. The board may continue to
18 sell liquor to Indian tribal stores on Indian reservations at
19 negotiated prices and conditions.

20 NEW SECTION. **Sec. 903.** FRANCHISEES--OTHER CLASSES OF LIQUOR
21 LICENSES PERMITTED. Holders of retail liquor store licenses may hold
22 other classes of liquor licenses issued by the board for the sale of
23 beer and wine for off-premises consumption or for on-premises
24 consumption under a class A, C, or D license where the consumption of
25 beer or wine is incidental to the service of food.

26 **Sec. 904.** RCW 66.24.410 and 1983 c 3 s 164 are each amended to
27 read as follows:

28 (1) "Spirituous liquor((7))" or "spirits" as used in RCW 66.24.400
29 to 66.24.450, inclusive, means "liquor" as defined in RCW 66.04.010,
30 except "wine" and "beer" sold as such.

31 (2) "Restaurant" as used in RCW 66.24.400 to 66.24.450, inclusive,
32 means an establishment provided with special space and accommodations
33 where, in consideration of payment, food, without lodgings, is
34 habitually furnished to the public, not including drug stores and soda

1 fountains: PROVIDED, That such establishments shall be approved by the
2 board and that the board shall be satisfied that such establishment is
3 maintained in a substantial manner as a place for preparing, cooking
4 and serving of complete meals. The service of only fry orders or such
5 food and victuals as sandwiches, hamburgers, or salads shall not be
6 deemed in compliance with this definition.

7 (3) "Hotel," "clubs," "wine" and "beer" are used in RCW 66.24.400
8 to 66.24.450, inclusive, with the meaning given in chapter 66.04 RCW:
9 PROVIDED, That any such hotel shall be provided with special space and
10 accommodations where, in consideration of payment, food is habitually
11 furnished to the public: PROVIDED FURTHER, That the board shall be
12 satisfied that such hotel is maintained in a substantial manner as a
13 place for preparing, cooking and serving of complete meals. The
14 service of only fry orders, sandwiches, hamburgers, or salads shall not
15 be deemed in compliance with this definition.

16 **Sec. 905.** RCW 66.24.440 and 1949 c 5 s 5 are each amended to read
17 as follows:

18 (1) As long as state liquor stores and liquor agencies continue to
19 operate, each class H licensee shall be entitled to purchase any
20 ((~~spirituous liquor items~~)) spirits salable under such class H license
21 from ((~~the board~~)) state liquor stores and liquor agencies, during the
22 transition to franchises, at a discount of not less than fifteen
23 percent from the retail price fixed by the board, together with all
24 taxes.

25 (2) After the licensed retail liquor stores are opened, class H
26 licensees may purchase spirits from the board's distribution center at
27 the same prices and with the same limitations as retail liquor store
28 franchisees. Alternatively, class H retail licensees may negotiate
29 with any retail franchisee or liquor agency for a price less than
30 retail, but at or greater than the cost from the board. No retailer
31 selling spirits to a class H licensee may wholesale beer or wine to the
32 same class H licensee.

33 **Sec. 906.** RCW 66.24.510 and 1984 c 71 s 1 are each amended to read
34 as follows:

35 There shall be a ((~~spirituous liquor~~)) spirits retailer's license
36 to be designated as class K; a special license to a nonprofit
37 organization to sell ((~~spirituous liquor~~)) spirits as defined in RCW

1 66.24.410 by the glass, including mixed drinks and cocktails compounded
2 or mixed on the premises only, to their members and guests at special
3 occasions at a specified date and place; fee thirty-five dollars per
4 day. Sale, service, and consumption of spirituous liquor is to be
5 confined to specified premises or designated areas only. ((Spirituous
6 liquor)) Spirits so sold shall be purchased at a state liquor store,
7 retail liquor store, or liquor agency without discount at retail prices
8 including all taxes. No more than two such licenses may be issued to
9 any one nonprofit organization during a calendar year.

10 **Sec. 907.** RCW 66.24.540 and 1993 c 511 s 1 are each amended to
11 read as follows:

12 There shall be a retailer's license to be designated as class M.
13 The class M license may be issued to a motel that holds no other class
14 of license under this title. No license may be issued to a motel
15 offering rooms to its guests on an hourly basis. The license
16 authorizes the licensee to sell, at retail, in locked honor bars,
17 spirits in individual bottles not to exceed fifty milliliters, beer in
18 individual cans or bottles not to exceed twelve ounces, and wine in
19 individual bottles not to exceed one hundred eighty-seven milliliters,
20 to registered guests of the motel for consumption in guest rooms. Each
21 honor bar must also contain snack foods. No more than one-half of the
22 guest rooms may have honor bars. The board shall charge a reasonable
23 fee for this license. All spirits to be sold under the license must be
24 purchased from ((the board)) a state liquor store, retail liquor store,
25 or liquor agency. The licensee shall require proof of age from the
26 guest renting a guest room and requesting the use of an honor bar. The
27 guest shall also execute an affidavit verifying that no one under
28 twenty-one years of age shall have access to the spirits, beer, and
29 wine in the honor bar. "Motel" as used in this section means a
30 facility or place offering three or more self-contained units
31 designated by number, letter, or some other method of identification to
32 travelers and transient guests. As used in this section, "spirits,"
33 "beer," and "wine" have the meanings defined in RCW 66.04.010.

34 **PART 10 - TAX ON LIQUOR**

35 **Sec. 1001.** RCW 66.08.190 and 1991 sp.s. c 32 s 34 are each amended
36 to read as follows:

1 When excess funds are distributed, all moneys subject to
2 distribution shall be disbursed as follows:

3 (1) Three-tenths of one percent to the department of community,
4 trade, and economic development to be allocated to border areas under
5 RCW 66.08.195; (~~and~~)

6 (2) From the amount remaining after distribution under subsection
7 (1) of this section, fifty percent to the general fund of the state,
8 ten percent to the counties of the state, and forty percent to the
9 incorporated cities and towns of the state(~~(-)~~); and

10 (3)(a) Beginning July 1, 1995, through June 30, 1996, the
11 apportionment amounts shall be forty-seven and one-half percent to the
12 state general fund, ten and six-tenths percent to the counties of the
13 state, and forty-one and nine-tenths percent to the incorporated cities
14 and towns of the state; and

15 (b) Beginning July 1, 1996, and thereafter, the apportionment
16 amounts shall be forty-nine and five-tenths percent to the state
17 general fund, ten and two-tenths percent to the counties of the state,
18 and forty and three-tenths percent to the incorporated cities and towns
19 of the state.

20 The governor may notify and direct the state treasurer to withhold
21 the revenues to which the counties and cities are entitled under this
22 section if the counties or cities are found to be in noncompliance
23 pursuant to RCW 36.70A.340.

24 **Sec. 1002.** RCW 82.08.150 and 1994 sp.s. c 7 s 903 are each amended
25 to read as follows:

26 (1) There is levied and shall be collected a tax upon each retail
27 sale of spirits, or strong beer in the original package at the rate of
28 fifteen percent of the selling price. The tax imposed in this
29 subsection shall apply to all such sales including sales by the
30 Washington state liquor stores and agencies, but excluding sales to
31 class H licensees.

32 (2) There is levied and shall be collected a tax upon each sale of
33 spirits, or strong beer in the original package at the rate of ten
34 percent of the selling price on sales (~~(by Washington state liquor~~
35 ~~stores and agencies)~~) to class H licensees.

36 (3) There is levied and shall be collected an additional tax upon
37 each retail sale of spirits in the original package at the rate of one
38 dollar and seventy-two cents per liter. The additional tax imposed in

1 this subsection shall apply to all such sales including sales by
2 Washington state liquor stores and agencies, and including sales to
3 class H licensees.

4 (4) An additional tax is imposed equal to fourteen percent
5 multiplied by the taxes payable under subsections (1), (2), and (3) of
6 this section.

7 (5) An additional tax is imposed upon each retail sale of spirits
8 in the original package at the rate of seven cents per liter. The
9 additional tax imposed in this subsection shall apply to all such sales
10 including sales by Washington state liquor stores and agencies, and
11 including sales to class H licensees. All revenues collected during
12 any month from this additional tax shall be deposited in the violence
13 reduction and drug enforcement account under RCW 69.50.520 by the
14 twenty-fifth day of the following month.

15 (6)(a) An additional tax is imposed upon retail sale of spirits in
16 the original package at the rate of one and seven-tenths percent of the
17 selling price through June 30, 1995, two and six-tenths percent of the
18 selling price for the period July 1, 1995, through June 30, 1997, and
19 three and four-tenths of the selling price thereafter. This additional
20 tax applies to all such sales including sales by Washington state
21 liquor stores and agencies, but excluding sales to class H licensees.

22 (b) An additional tax is imposed upon (~~retail~~) each sale of
23 spirits in the original package at the rate of one and one-tenth
24 percent of the selling price through June 30, 1995, one and seven-
25 tenths percent of the selling price for the period July 1, 1995,
26 through June 30, 1997, and two and three-tenths of the selling price
27 thereafter. This additional tax applies to all such sales to class H
28 licensees.

29 (c) An additional tax is imposed upon each retail sale of spirits
30 in the original package at the rate of twenty cents per liter through
31 June 30, 1995, thirty cents per liter for the period July 1, 1995,
32 through June 30, 1997, and forty-one cents per liter thereafter. This
33 additional tax applies to all such sales including sales by Washington
34 state liquor stores and agencies, and including sales to class H
35 licensees.

36 (d) All revenues collected during any month from additional taxes
37 under this subsection shall be deposited in the health services account
38 created under RCW 43.72.900 by the twenty-fifth day of the following
39 month.

1 (7) The tax imposed in RCW 82.08.020 shall not apply to sales of
2 spirits or strong beer in the original package.

3 (8) The taxes imposed in this section shall be paid by the buyer to
4 the seller, and each seller shall collect from the buyer the full
5 amount of the tax payable in respect to each taxable sale under this
6 section. The taxes required by this section to be collected by the
7 seller shall be stated separately from the selling price and for
8 purposes of determining the tax due from the buyer to the seller, it
9 shall be conclusively presumed that the selling price quoted in any
10 price list does not include the taxes imposed by this section.

11 (9) As used in this section, the terms, "spirits," "strong beer,"
12 and "package" shall have the meaning ascribed to them in chapter 66.04
13 RCW.

14 **Sec. 1003.** RCW 66.08.030 and 1977 ex.s. c 115 s 1 are each amended
15 to read as follows:

16 (1) For the purpose of carrying into effect the provisions of this
17 title according to their true intent or of supplying any deficiency
18 therein, the board may make such regulations not inconsistent with the
19 spirit of this title as are deemed necessary or advisable. All
20 regulations so made shall be a public record and shall be filed in the
21 office of the code reviser, and thereupon shall have the same force and
22 effect as if incorporated in this title. Such regulations, together
23 with a copy of this title, shall be published in pamphlets and shall be
24 distributed as directed by the board.

25 (2) Without thereby limiting the generality of the provisions
26 contained in subsection (1), it is declared that the power of the board
27 to make regulations in the manner set out in that subsection shall
28 extend to:

29 (a) Regulating the equipment and management of stores and
30 warehouses in which state liquor is sold or kept, and prescribing the
31 books and records to be kept therein and the reports to be made thereon
32 to the board;

33 (b) Prescribing the duties of the employees of the board, and
34 regulating their conduct in the discharge of their duties;

35 (c) Governing the purchase of liquor by the state and the
36 furnishing of liquor to state liquor stores, retail liquor stores, and
37 liquor agencies established under this title;

1 (d) Determining the classes, varieties, and brands of liquor to be
2 ((kept)) available for sale at any state liquor store, retail liquor
3 store, or liquor agency;

4 (e) Prescribing, subject to RCW 66.16.080, the hours during which
5 the state liquor stores, retail liquor stores, and liquor agencies
6 shall be kept open for the sale of liquor;

7 (f) Providing for the issuing and distributing of price lists
8 showing the price to be paid by purchasers for each variety of liquor
9 kept for sale under this title;

10 (g) Prescribing an official seal and official labels and stamps and
11 determining the manner in which they shall be attached to every package
12 of liquor sold or sealed under this title, including the prescribing of
13 different official seals or different official labels for different
14 classes of liquor;

15 (h) Providing for the payment by the board in whole or in part of
16 the carrying charges on liquor shipped by freight or express;

17 (i) Prescribing forms to be used for purposes of this title or the
18 regulations, and the terms and conditions to be contained in permits
19 and licenses issued under this title;

20 (j) Prescribing the fees payable in respect of permits and licenses
21 issued under this title for which no fees are prescribed in this title,
22 and prescribing the fees for anything done or permitted to be done
23 under the regulations;

24 (k) Prescribing the kinds and quantities of liquor which may be
25 kept on hand by the holder of a special permit for the purposes named
26 in the permit, regulating the manner in which the same shall be kept
27 and disposed of, and providing for the inspection of the same at any
28 time at the instance of the board;

29 (l) Regulating the sale of liquor kept by the holders of licenses
30 which entitle the holder to purchase and keep liquor for sale;

31 (m) Prescribing the records of purchases or sales of liquor kept by
32 the holders of licenses, and the reports to be made thereon to the
33 board, and providing for inspection of the records so kept;

34 (n) Prescribing the kinds and quantities of liquor for which a
35 prescription may be given, and the number of prescriptions which may be
36 given to the same patient within a stated period;

37 (o) Prescribing the manner of giving and serving notices required
38 by this title or the regulations, where not otherwise provided for in
39 this title;

1 (p) Regulating premises in which liquor is kept for export from the
2 state, or from which liquor is exported, prescribing the books and
3 records to be kept therein and the reports to be made thereon to the
4 board, and providing for the inspection of the premises and the books,
5 records and the liquor so kept;

6 (q) Prescribing the conditions and qualifications requisite for the
7 obtaining of club licenses and the books and records to be kept and the
8 returns to be made by clubs, prescribing the manner of licensing clubs
9 in any municipality or other locality, and providing for the inspection
10 of clubs;

11 (r) Prescribing the conditions, accommodations and qualifications
12 requisite for the obtaining of licenses to sell beer and wines, and
13 regulating the sale of beer and wines thereunder;

14 (s) Specifying and regulating the time and periods when, and the
15 manner, methods and means by which manufacturers shall deliver liquor
16 within the state; and the time and periods when, and the manner,
17 methods and means by which liquor may lawfully be conveyed or carried
18 within the state;

19 (t) Providing for the making of returns by brewers of their sales
20 of beer shipped within the state, or from the state, showing the gross
21 amount of such sales and providing for the inspection of brewers' books
22 and records, and for the checking of the accuracy of any such returns;

23 (u) Providing for the making of returns by the wholesalers of beer
24 whose breweries are located beyond the boundaries of the state;

25 (v) Providing for the making of returns by any other liquor
26 manufacturers, showing the gross amount of liquor produced or
27 purchased, the amount sold within and exported from the state, and to
28 whom so sold or exported, and providing for the inspection of the
29 premises of any such liquor manufacturers, their books and records, and
30 for the checking of any such return;

31 (w) Providing for the giving of fidelity bonds by any or all of the
32 employees of the board: PROVIDED, That the premiums therefor shall be
33 paid by the board;

34 (x) Providing for the shipment by mail or common carrier of liquor
35 to any person holding a permit and residing in any unit which has, by
36 election pursuant to this title, prohibited the sale of liquor therein;

37 (y) Prescribing methods of manufacture, conditions of sanitation,
38 standards of ingredients, quality and identity of alcoholic beverages
39 manufactured, sold, bottled, or handled by licensees and the board; and

1 conducting from time to time, in the interest of the public health and
2 general welfare, scientific studies and research relating to alcoholic
3 beverages and the use and effect thereof;

4 (z) Seizing, confiscating and destroying all alcoholic beverages
5 manufactured, sold or offered for sale within this state which do not
6 conform in all respects to the standards prescribed by this title or
7 the regulations of the board: PROVIDED, Nothing herein contained shall
8 be construed as authorizing the liquor board to prescribe, alter, limit
9 or in any way change the present law as to the quantity or percentage
10 of alcohol used in the manufacturing of wine or other alcoholic
11 beverages.

12 **Sec. 1004.** RCW 66.12.110 and 1975-'76 2nd ex.s. c 20 s 1 are each
13 amended to read as follows:

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

19 Such entry of alcoholic beverages in excess of that herein provided
20 may be authorized by the board upon payment of an equivalent markup
21 (~~and tax as would be applicable to the purchase of the same or similar~~
22 ~~liquor at retail from a Washington state liquor store)) as charged to
23 a retail liquor store, plus applicable taxes. The board shall adopt
24 appropriate regulations pursuant to chapter 34.05 RCW for the purpose
25 of carrying out the provisions of this section. The board may issue a
26 class H license to a charitable or nonprofit corporation of the state
27 of Washington, the majority of the officers and directors of which are
28 United States citizens and the minority of the officers and directors
29 of which are citizens of the Dominion of Canada, and where the location
30 of the premises for such class H license is not more than ten miles
31 south of the border between the United States and the province of
32 British Columbia.~~

33 **Sec. 1005.** RCW 66.12.120 and 1975 1st ex.s. c 173 s 3 are each
34 amended to read as follows:

35 Notwithstanding any other provision of Title 66 RCW, a person
36 twenty-one years of age or over may be authorized by the board to bring
37 into the state of Washington from another state a reasonable amount of

1 alcoholic beverages for personal or household use only upon payment of
2 an equivalent markup ((and tax as would be applicable to the purchase
3 of the same or similar liquor at retail from a state liquor store)) as
4 charged to a retail liquor store, plus applicable taxes. The board
5 shall adopt appropriate regulations pursuant to chapter 34.05 RCW for
6 the purpose of carrying into effect the provisions of this section.

7 **PART 11 - MISCELLANEOUS**

8 NEW SECTION. **Sec. 1101.** Captions and part headings as used in
9 this act do not constitute any part of the law.

10 NEW SECTION. **Sec. 1102.** Sections 1, 202 through 206, 208, 301,
11 302, 501, 502, 601, 701, 801, 802, and 901 through 903 of this act
12 shall constitute a new chapter in Title 66 RCW.

13 NEW SECTION. **Sec. 1103.** Section 207 of this act shall take effect
14 July 1, 1996.

15 NEW SECTION. **Sec. 1104.** Section 1001 of this act is necessary for
16 the immediate preservation of the public peace, health, or safety, or
17 support of the state government and its existing public institutions,
18 and shall take effect July 1, 1995.

19 NEW SECTION. **Sec. 1105.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstances is not affected.

--- END ---