

1 (i) Must be used exclusively by the retailer or its employees in a
2 manner consistent with its license;

3 (ii) Must bear imprinted advertising matter of the industry member
4 only;

5 (iii) May be provided by industry members only to retailers and
6 their employees and may not be provided by or through retailers or
7 their employees to retail customers; and

8 (iv) May not be targeted to or appeal principally to youth.

9 (b) An industry member is not obligated to provide any such branded
10 promotional items, and a retailer may not require an industry member to
11 provide such branded promotional items as a condition for selling any
12 alcohol to the retailer.

13 (c) Any industry member or retailer or any other person asserting
14 that the provision of branded promotional items as allowed in (a) of
15 this subsection has resulted or is more likely than not to result in
16 undue influence or an adverse impact on public health and safety, or is
17 otherwise inconsistent with the criteria in (a) of this subsection may
18 file a complaint with the board. Upon receipt of a complaint the board
19 may conduct such investigation as it deems appropriate in the
20 circumstances. If the investigation reveals the provision of branded
21 promotional items has resulted in or is more likely than not to result
22 in undue influence or has resulted or is more likely than not to result
23 in an adverse impact on public health and safety or is otherwise
24 inconsistent with (a) of this subsection the board may issue an
25 administrative violation notice to the industry member, to the
26 retailer, or both. The recipient of the administrative violation
27 notice may request a hearing under chapter 34.05 RCW.

28 (2) Nothing in RCW 66.28.305 prohibits:

29 (a) An industry member from providing to a special occasion
30 licensee and a special occasion licensee from receiving services for:

31 ~~((a))~~ (i) Installation of draft beer dispensing equipment or
32 advertising;

33 ~~((b))~~ (ii) Advertising, pouring, or dispensing of beer or wine at
34 a beer or wine tasting exhibition or judging event; or

35 ~~((c))~~ (iii) Pouring or dispensing of spirits by a licensed
36 domestic distiller or the accredited representative of a distiller,
37 manufacturer, importer, or distributor of spirituous liquor licensed
38 under RCW 66.24.310; or

1 (b) Special occasion licensees from paying for beer or wine
2 immediately following the end of the special occasion event; or

3 (c) Wineries or breweries that are participating in a special
4 occasion event from paying reasonable booth fees to the special
5 occasion licensee.

6 (3) Nothing in RCW 66.28.305 prohibits industry members from
7 performing, and retailers from accepting the service of building,
8 rotating, and restocking displays and stockroom inventories; rotating
9 and rearranging can and bottle displays of their own products;
10 providing point of sale material and brand signs; pricing case goods of
11 their own brands; and performing such similar business services
12 consistent with board rules, or personal services as described in
13 subsection (5) of this section.

14 (4) Nothing in RCW 66.28.305 prohibits:

15 (a) Industry members from listing on their internet web sites
16 information related to retailers who sell or promote their products,
17 including direct links to the retailers' internet web sites; and

18 (b) Retailers from listing on their internet web sites information
19 related to industry members whose products those retailers sell or
20 promote, including direct links to the industry members' web sites; or

21 (c) Industry members and retailers from producing, jointly or
22 together with regional, state, or local industry associations,
23 brochures and materials promoting tourism in Washington state which
24 contain information regarding retail licensees, industry members, and
25 their products.

26 (5) Nothing in RCW 66.28.305 prohibits the performance of personal
27 services offered from time to time by a domestic winery or certificate
28 of approval holder to retailers when the personal services are (a)
29 conducted at a licensed premises, and (b) intended to inform, educate,
30 or enhance customers' knowledge or experience of the manufacturer's
31 products. The performance of personal services may include
32 participation and pouring, bottle signing events, and other similar
33 informational or educational activities at the premises of a retailer
34 holding a spirits, beer, and wine restaurant license, a wine and/or
35 beer restaurant license, a specialty wine shop license, a special
36 occasion license, a grocery store license with a tasting endorsement,
37 or a private club license. A domestic winery or certificate of
38 approval holder is not obligated to perform any such personal services,

1 and a retail licensee may not require a domestic winery or certificate
2 of approval holder to conduct any personal service as a condition for
3 selling any alcohol to the retail licensee, or as a condition for
4 including any product of the domestic winery or certificate of approval
5 holder in any tasting conducted by the licensee. Except as provided in
6 RCW 66.28.150, the cost of sampling may not be borne, directly or
7 indirectly, by any domestic winery or certificate of approval holder or
8 any distributor. Nothing in this section prohibits wineries,
9 certificate of approval holders, and retail licensees from identifying
10 the producers on private labels authorized under RCW 66.24.400,
11 66.24.425, and 66.24.450.

12 (6) Nothing in RCW 66.28.305 prohibits an industry member from
13 entering into an arrangement with any holder of a sports entertainment
14 facility license or an affiliated business for brand advertising at the
15 licensed facility or promoting events held at the sports entertainment
16 facility as authorized under RCW 66.24.570.

17 (7) Nothing in RCW 66.28.305 prohibits the performance of personal
18 services offered from time to time by a domestic brewery, microbrewery,
19 or beer certificate of approval holder to grocery store licensees with
20 a tasting endorsement when the personal services are (a) conducted at
21 a licensed premises in conjunction with a tasting event, and (b)
22 intended to inform, educate, or enhance customers' knowledge or
23 experience of the manufacturer's products. The performance of personal
24 services may include participation and pouring, bottle signing events,
25 and other similar informational or educational activities. A domestic
26 brewery, microbrewery, or beer certificate of approval holder is not
27 obligated to perform any such personal services, and a grocery store
28 licensee may not require the performance of any personal service as a
29 condition for including any product in any tasting conducted by the
30 licensee.

31 (8) Nothing in this section prohibits professional sports teams who
32 hold a retail liquor license or their agents from accepting bona fide
33 liquor advertising from manufacturers, importers, distributors, or
34 their agents for use in the sporting arena. Professional sports teams
35 who hold a retail liquor license or their agents may license the
36 manufacturer, importer, distributor, or their agents to use the name
37 and trademarks of the professional sports team in their advertising and
38 promotions, under the following conditions:

1 66.24.371, 66.24.380, 66.24.395, 66.24.400, 66.24.425, 66.24.452,
2 66.24.495, 66.24.540, 66.24.550, 66.24.570, 66.24.580, 66.24.590, and
3 66.24.600, but may not have such a license issued in its name; and

4 (b) A retailer in whose name a license has been issued pursuant to
5 this title may wholly own or hold a financial interest in a separate
6 legal entity licensed or holding a certificate of approval pursuant to
7 RCW 66.24.140, 66.24.170, 66.24.206, 66.24.240, 66.24.244,
8 66.24.270(2), 66.24.200, or 66.24.250, but may not have such a license
9 or certificate of approval issued in its name; and

10 (c) A supplier in whose name a license or certificate of approval
11 has been issued pursuant to this title may wholly own or hold a
12 financial interest in a separate legal entity licensed as a distributor
13 or importer under this title, but such supplier may not have a license
14 as a distributor or importer issued in its own name; and

15 (d) A distributor or importer in whose name a license has been
16 issued pursuant to this title may wholly own or hold a financial
17 interest in a separate legal entity licensed or holding a certificate
18 of approval as a supplier under this title, but such distributor or
19 importer may not have a license or certificate of approval as a
20 supplier issued in its own name.

21 **Sec. 203.** RCW 66.24.360 and 2007 c 226 s 2 are each amended to
22 read as follows:

23 There shall be a beer and/or wine retailer's license to be
24 designated as a grocery store license to sell beer, strong beer, and/or
25 wine at retail in bottles, cans, and original containers, not to be
26 consumed upon the premises where sold, at any store other than the
27 state liquor stores.

28 (1) Licensees obtaining a written endorsement from the board may
29 also sell malt liquor in kegs or other containers capable of holding
30 less than five and one-half gallons of liquid.

31 (2) The annual fee for the grocery store license is one hundred
32 fifty dollars for each store.

33 (3) The board shall issue a restricted grocery store license
34 authorizing the licensee to sell beer and only table wine, if the board
35 finds upon issuance or renewal of the license that the sale of strong
36 beer or fortified wine would be against the public interest. In

1 determining the public interest, the board shall consider at least the
2 following factors:

3 (a) The likelihood that the applicant will sell strong beer or
4 fortified wine to persons who are intoxicated;

5 (b) Law enforcement problems in the vicinity of the applicant's
6 establishment that may arise from persons purchasing strong beer or
7 fortified wine at the establishment; and

8 (c) Whether the sale of strong beer or fortified wine would be
9 detrimental to or inconsistent with a government-operated or funded
10 alcohol treatment or detoxification program in the area.

11 If the board receives no evidence or objection that the sale of
12 strong beer or fortified wine would be against the public interest, it
13 shall issue or renew the license without restriction, as applicable.
14 The burden of establishing that the sale of strong beer or fortified
15 wine by the licensee would be against the public interest is on those
16 persons objecting.

17 (4) Licensees holding a grocery store license must maintain a
18 minimum three thousand dollar inventory of food products for human
19 consumption, not including pop, beer, strong beer, or wine.

20 (5) Upon approval by the board, the grocery store licensee may also
21 receive an endorsement to permit the international export of beer,
22 strong beer, and wine.

23 (a) Any beer, strong beer, or wine sold under this endorsement must
24 have been purchased from a licensed beer or wine distributor licensed
25 to do business within the state of Washington.

26 (b) Any beer, strong beer, and wine sold under this endorsement
27 must be intended for consumption outside the state of Washington and
28 the United States and appropriate records must be maintained by the
29 licensee.

30 ~~(c) ((A holder of this special endorsement to the grocery store
31 license shall be considered not in violation of RCW 66.28.010.~~

32 ~~(d))~~ Any beer, strong beer, or wine sold under this license must
33 be sold at a price no less than the acquisition price paid by the
34 holder of the license.

35 ~~((e))~~ (d) The annual cost of this endorsement is five hundred
36 dollars and is in addition to the license fees paid by the licensee for
37 a grocery store license.

1 (6) A grocery store licensee holding a snack bar license under RCW
2 66.24.350 may receive an endorsement to allow the sale of confections
3 containing more than one percent but not more than ten percent alcohol
4 by weight to persons twenty-one years of age or older.

5 **Sec. 204.** RCW 66.24.371 and 2009 c 373 s 6 are each amended to
6 read as follows:

7 (1) There shall be a beer and/or wine retailer's license to be
8 designated as a beer and/or wine specialty shop license to sell beer,
9 strong beer, and/or wine at retail in bottles, cans, and original
10 containers, not to be consumed upon the premises where sold, at any
11 store other than the state liquor stores. Licensees obtaining a
12 written endorsement from the board may also sell malt liquor in kegs or
13 other containers capable of holding four gallons or more of liquid.
14 The annual fee for the beer and/or wine specialty shop license is one
15 hundred dollars for each store. The sale of any container holding four
16 gallons or more must comply with RCW 66.28.200 and 66.28.220.

17 (2) Licensees under this section may provide, free or for a charge,
18 single-serving samples of two ounces or less to customers for the
19 purpose of sales promotion. Sampling activities of licensees under
20 this section are subject to RCW (~~66.28.010~~) 66.28.305 and 66.28.040
21 and the cost of sampling under this section may not be borne, directly
22 or indirectly, by any manufacturer, importer, or distributor of liquor.

23 (3) The board shall issue a restricted beer and/or wine specialty
24 shop license, authorizing the licensee to sell beer and only table
25 wine, if the board finds upon issuance or renewal of the license that
26 the sale of strong beer or fortified wine would be against the public
27 interest. In determining the public interest, the board shall consider
28 at least the following factors:

29 (a) The likelihood that the applicant will sell strong beer or
30 fortified wine to persons who are intoxicated;

31 (b) Law enforcement problems in the vicinity of the applicant's
32 establishment that may arise from persons purchasing strong beer or
33 fortified wine at the establishment; and

34 (c) Whether the sale of strong beer or fortified wine would be
35 detrimental to or inconsistent with a government-operated or funded
36 alcohol treatment or detoxification program in the area.

1 If the board receives no evidence or objection that the sale of
2 strong beer or fortified wine would be against the public interest, it
3 shall issue or renew the license without restriction, as applicable.
4 The burden of establishing that the sale of strong beer or fortified
5 wine by the licensee would be against the public interest is on those
6 persons objecting.

7 (4) Licensees holding a beer and/or wine specialty shop license
8 must maintain a minimum three thousand dollar wholesale inventory of
9 beer, strong beer, and/or wine.

10 **Sec. 205.** RCW 66.24.570 and 2007 c 369 s 2 are each amended to
11 read as follows:

12 (1) There is a license for sports entertainment facilities to be
13 designated as a sports entertainment facility license to sell beer,
14 wine, and spirits at retail, for consumption upon the premises only,
15 the license to be issued to the entity providing food and beverage
16 service at a sports entertainment facility as defined in this section.
17 The cost of the license is two thousand five hundred dollars per annum.

18 (2) For purposes of this section, a sports entertainment facility
19 includes a publicly or privately owned arena, coliseum, stadium, or
20 facility where sporting events are presented for a price of admission.
21 The facility does not have to be exclusively used for sporting events.

22 (3) The board may impose reasonable requirements upon a licensee
23 under this section, such as requirements for the availability of food
24 and victuals including but not limited to hamburgers, sandwiches,
25 salads, or other snack food. The board may also restrict the type of
26 events at a sports entertainment facility at which beer, wine, and
27 spirits may be served. When imposing conditions for a licensee, the
28 board must consider the seating accommodations, eating facilities, and
29 circulation patterns in such a facility, and other amenities available
30 at a sports entertainment facility.

31 (4)(a) The board may issue a caterer's endorsement to the license
32 under this section to allow the licensee to remove from the liquor
33 stocks at the licensed premises, for use as liquor for sale and service
34 at event locations at a specified date and place not currently licensed
35 by the board. If the event is open to the public, it must be sponsored
36 by a society or organization as defined by RCW 66.24.375. If
37 attendance at the event is limited to members or invited guests of the

1 sponsoring individual, society, or organization, the requirement that
2 the sponsor must be a society or organization as defined by RCW
3 66.24.375 is waived. Cost of the endorsement is three hundred fifty
4 dollars.

5 (b) The holder of this license with catering endorsement shall, if
6 requested by the board, notify the board or its designee of the date,
7 time, place, and location of any catered event. Upon request, the
8 licensee shall provide to the board all necessary or requested
9 information concerning the society or organization that will be holding
10 the function at which the endorsed license will be utilized.

11 (5) The board may issue an endorsement to the beer, wine, and
12 spirits sports entertainment facility license that allows the holder of
13 a beer, wine, and spirits sports entertainment facility license to sell
14 for off-premises consumption wine vinted and bottled in the state of
15 Washington and carrying a label exclusive to the license holder selling
16 the wine. Spirits and beer may not be sold for off-premises
17 consumption under this section. The annual fee for the endorsement
18 under this section is one hundred twenty dollars.

19 (6)(a) A licensee and an affiliated business may enter into
20 arrangements with a manufacturer, importer, or distributor for brand
21 advertising at the sports entertainment facility or promotion of events
22 held at the sports entertainment facility, with a capacity of five
23 thousand people or more. The financial arrangements providing for the
24 brand advertising or promotion of events shall not be used as an
25 inducement to purchase the products of the manufacturer, importer, or
26 distributor entering into the arrangement nor shall it result in the
27 exclusion of brands or products of other companies.

28 (b) The arrangements allowed under this subsection (6) are an
29 exception to arrangements prohibited under RCW (~~66.28.010~~) 66.28.305.
30 The board shall monitor the impacts of these arrangements. The board
31 may conduct audits of the licensee and the affiliated business to
32 determine compliance with this subsection (6). Audits may include but
33 are not limited to product selection at the facility; purchase patterns
34 of the licensee; contracts with the liquor manufacturer, importer, or
35 distributor; and the amount allocated or used for liquor advertising by
36 the licensee, affiliated business, manufacturer, importer, or
37 distributor under the arrangements.

1 (c) The board shall report to the appropriate committees of the
2 legislature by December 30, 2008, and biennially thereafter, on the
3 impacts of arrangements allowed between sports entertainment licensees
4 and liquor manufacturers, importers, and distributors for brand
5 advertising and promotion of events at the facility.

6 **Sec. 206.** RCW 66.24.580 and 1999 c 281 s 6 are each amended to
7 read as follows:

8 (1) A public house license allows the licensee:

9 (a) To annually manufacture no less than two hundred fifty gallons
10 and no more than two thousand four hundred barrels of beer on the
11 licensed premises;

12 (b) To sell product, that is produced on the licensed premises, at
13 retail on the licensed premises for consumption on the licensed
14 premises;

15 (c) To sell beer or wine not of its own manufacture for consumption
16 on the licensed premises if the beer or wine has been purchased from a
17 licensed beer or wine wholesaler;

18 ~~(d) ((To hold other classes of retail licenses at other locations
19 without being considered in violation of RCW 66.28.010;~~

20 ~~(e))~~ To apply for and, if qualified and upon the payment of the
21 appropriate fee, be licensed as a spirits, beer, and wine restaurant to
22 do business at the same location. This fee is in addition to the fee
23 charged for the basic public house license.

24 ~~(2) ((While the holder of a public house license is not to be
25 considered in violation of the prohibitions of ownership or interest in
26 a retail license in RCW 66.28.010, the remainder of RCW 66.28.010
27 applies to such licensees.))~~ RCW 66.28.305 applies to a public house
28 license.

29 (3) A public house licensee must pay all applicable taxes on
30 production as are required by law, and all appropriate taxes must be
31 paid for any product sold at retail on the licensed premises.

32 (4) The employees of the licensee must comply with the provisions
33 of mandatory server training in RCW 66.20.300 through 66.20.350.

34 (5) The holder of a public house license may not hold a
35 wholesaler's or importer's license, act as the agent of another
36 manufacturer, wholesaler, or importer, or hold a brewery or winery
37 license.

1 (6) The annual license fee for a public house is one thousand
2 dollars.

3 (7) The holder of a public house license may hold other licenses at
4 other locations if the locations are approved by the board.

5 (8) Existing holders of annual retail liquor licenses may apply for
6 and, if qualified, be granted a public house license at one or more of
7 their existing liquor licensed locations without discontinuing business
8 during the application or construction stages.

9 **Sec. 207.** RCW 66.28.040 and 2009 c 373 s 8 are each amended to
10 read as follows:

11 Except as permitted by the board under RCW 66.20.010, no domestic
12 brewery, microbrewery, distributor, distiller, domestic winery,
13 importer, rectifier, certificate of approval holder, or other
14 manufacturer of liquor shall, within the state of Washington, give to
15 any person any liquor; but nothing in this section nor in RCW
16 (~~66.28.010—shall~~) 66.28.305 prevents a domestic brewery,
17 microbrewery, distributor, domestic winery, distiller, certificate of
18 approval holder, or importer from furnishing samples of beer, wine, or
19 spirituous liquor to authorized licensees for the purpose of
20 negotiating a sale, in accordance with regulations adopted by the
21 liquor control board, provided that the samples are subject to taxes
22 imposed by RCW 66.24.290 and 66.24.210, and in the case of spirituous
23 liquor, any product used for samples must be purchased at retail from
24 the board; nothing in this section shall prevent the furnishing of
25 samples of liquor to the board for the purpose of negotiating the sale
26 of liquor to the state liquor control board; nothing in this section
27 shall prevent a domestic brewery, microbrewery, domestic winery,
28 distillery, certificate of approval holder, or distributor from
29 furnishing beer, wine, or spirituous liquor for instructional purposes
30 under RCW 66.28.150; nothing in this section shall prevent a domestic
31 winery, certificate of approval holder, or distributor from furnishing
32 wine without charge, subject to the taxes imposed by RCW 66.24.210, to
33 a not-for-profit group organized and operated solely for the purpose of
34 enology or the study of viticulture which has been in existence for at
35 least six months and that uses wine so furnished solely for such
36 educational purposes or a domestic winery, or an out-of-state
37 certificate of approval holder, from furnishing wine without charge or

1 a domestic brewery, or an out-of-state certificate of approval holder,
2 from furnishing beer without charge, subject to the taxes imposed by
3 RCW 66.24.210 or 66.24.290, or a domestic distiller licensed under RCW
4 66.24.140 or an accredited representative of a distiller, manufacturer,
5 importer, or distributor of spirituous liquor licensed under RCW
6 66.24.310, from furnishing spirits without charge, to a nonprofit
7 charitable corporation or association exempt from taxation under
8 section 501(c)(3) or (6) of the internal revenue code of 1986 (26
9 U.S.C. Sec. 501(c)(3) or (6)) for use consistent with the purpose or
10 purposes entitling it to such exemption; nothing in this section shall
11 prevent a domestic brewery or microbrewery from serving beer without
12 charge, on the brewery premises; nothing in this section shall prevent
13 donations of wine for the purposes of RCW 66.12.180; nothing in this
14 section shall prevent a domestic winery from serving wine without
15 charge, on the winery premises; and nothing in this section shall
16 prevent a craft distillery from serving spirits without charge, on the
17 distillery premises subject to RCW 66.24.145.

18 **Sec. 208.** RCW 66.28.042 and 2004 c 160 s 12 are each amended to
19 read as follows:

20 A liquor manufacturer, importer, authorized representative holding
21 a certificate of approval, or distributor may provide to licensed
22 retailers and their employees food and beverages for consumption at a
23 meeting at which the primary purpose is the discussion of business, and
24 may provide local ground transportation to and from such meetings. The
25 value of the food, beverage, or transportation provided under this
26 section shall not be considered the advancement of moneys or moneys'
27 worth within the meaning of RCW (~~66.28.010~~) 66.28.305, nor shall it
28 be considered the giving away of liquor within the meaning of RCW
29 (~~66.28.040~~) 66.28.040. The board may adopt rules for the
30 implementation of this section.

31 **Sec. 209.** RCW 66.28.043 and 2004 c 160 s 13 are each amended to
32 read as follows:

33 A liquor manufacturer, importer, authorized representative holding
34 a certificate of approval, or distributor may provide to licensed
35 retailers and their employees tickets or admission fees for athletic
36 events or other forms of entertainment occurring within the state of

1 Washington, if the manufacturer, importer, distributor, authorized
2 representative holding a certificate of approval, or any of their
3 employees accompanies the licensed retailer or its employees to the
4 event. A liquor manufacturer, importer, authorized representative
5 holding a certificate of approval, or distributor may also provide to
6 licensed retailers and their employees food and beverages for
7 consumption at such events, and local ground transportation to and from
8 activities allowed under this section. The value of the food,
9 beverage, transportation, or admission to events provided under this
10 section shall not be considered the advancement of moneys or moneys'
11 worth within the meaning of RCW (~~66.28.010~~) 66.28.305, nor shall it
12 be considered the giving away of liquor within the meaning of RCW
13 (~~68.28.040~~) 66.28.040. The board may adopt rules for the
14 implementation of this section.

15 **Sec. 210.** RCW 66.28.155 and 2004 c 160 s 15 are each amended to
16 read as follows:

17 A domestic brewery, microbrewery, domestic winery, distillery,
18 distributor, certificate of approval holder, or its licensed agent may
19 conduct educational activities or provide product information to the
20 consumer on the licensed premises of a retailer. Information on the
21 subject of wine, beer, or spirituous liquor, including but not limited
22 to, the history, nature, quality, and characteristics of a wine, beer,
23 or spirituous liquor, methods of harvest, production, storage,
24 handling, and distribution of a wine, beer, or spirituous liquor, and
25 the general development of the wine, beer, and spirituous liquor
26 industry may be provided by a domestic brewery, microbrewery, domestic
27 winery, distillery, distributor, certificate of approval holder, or its
28 licensed agent to the public on the licensed premises of a retailer.
29 The retailer requesting such activity shall attempt to schedule a
30 series of brewery, winery, authorized representative, or distillery and
31 distributor appearances in an effort to equitably represent the
32 industries. Nothing in this section permits a domestic brewery,
33 microbrewery, domestic winery, distillery, distributor, certificate of
34 approval holder, or its licensed agent to receive compensation or
35 financial benefit from the educational activities or product
36 information presented on the licensed premises of a retailer. The

1 promotional value of such educational activities or product information
2 shall not be considered advancement of moneys or of moneys' worth
3 within the meaning of RCW (~~66.28.010~~) 66.28.305.

4 **Sec. 211.** RCW 66.28.190 and 2003 c 168 s 305 are each amended to
5 read as follows:

6 RCW (~~66.28.010~~) 66.28.305 notwithstanding, persons licensed under
7 RCW 66.24.200 as wine distributors and persons licensed under RCW
8 66.24.250 as beer distributors may sell at wholesale nonliquor food and
9 food ingredients on thirty-day credit terms to persons licensed as
10 retailers under this title, but complete and separate accounting
11 records shall be maintained on all sales of nonliquor food and food
12 ingredients to ensure that such persons are in compliance with RCW
13 (~~66.28.010~~) 66.28.305.

14 For the purpose of this section, "nonliquor food and food
15 ingredients" includes all food and food ingredients for human
16 consumption as defined in RCW 82.08.0293 as it exists on July 1, 2004.

17 **Sec. 212.** RCW 66.24.240 and 2008 c 41 s 7 are each amended to read
18 as follows:

19 (1) There shall be a license for domestic breweries; fee to be two
20 thousand dollars for production of sixty thousand barrels or more of
21 malt liquor per year.

22 (2) Any domestic brewery, except for a brand owner of malt
23 beverages under RCW 66.04.010(~~(+6)~~), licensed under this section may
24 also act as a distributor and/or retailer for beer of its own
25 production. Any domestic brewery operating as a distributor and/or
26 retailer under this subsection shall comply with the applicable laws
27 and rules relating to distributors and/or retailers. A domestic
28 brewery holding a spirits, beer, and wine restaurant license may sell
29 beer of its own production for off-premises consumption from its
30 restaurant premises in kegs or in a sanitary container brought to the
31 premises by the purchaser or furnished by the licensee and filled at
32 the tap by the licensee at the time of sale.

33 (3) A domestic brewery may hold up to two retail licenses to
34 operate an on or off-premise tavern, beer and/or wine restaurant, or
35 spirits, beer, and wine restaurant. This retail license is separate
36 from the brewery license. A brewery that holds a tavern license, a

1 spirits, beer, and wine restaurant license, or a beer and/or wine
2 restaurant license shall hold the same privileges and endorsements as
3 permitted under RCW 66.24.320, 66.24.330, and 66.24.420.

4 (4) Any domestic brewery licensed under this section may contract-
5 produce beer for a brand owner of malt beverages defined under RCW
6 66.04.010(~~(+6)~~), and this contract-production is not a sale for the
7 purposes of RCW 66.28.170 and 66.28.180.

8 (5)(a) A domestic brewery licensed under this section and qualified
9 for a reduced rate of taxation pursuant to RCW 66.24.290(3)(b) may
10 apply to the board for an endorsement to sell bottled beer of its own
11 production at retail for off-premises consumption at a qualifying
12 farmers market. The annual fee for this endorsement is seventy-five
13 dollars.

14 (b) For each month during which a domestic brewery will sell beer
15 at a qualifying farmers market, the domestic brewery must provide the
16 board or its designee a list of the dates, times, and locations at
17 which bottled beer may be offered for sale. This list must be received
18 by the board before the domestic brewery may offer beer for sale at a
19 qualifying farmers market.

20 (c) The beer sold at qualifying farmers markets must be produced in
21 Washington.

22 (d) Each approved location in a qualifying farmers market is deemed
23 to be part of the domestic brewery license for the purpose of this
24 title. The approved locations under an endorsement granted under this
25 subsection do not include the tasting or sampling privilege of a
26 domestic brewery. The domestic brewery may not store beer at a farmers
27 market beyond the hours that the domestic brewery offers bottled beer
28 for sale. The domestic brewery may not act as a distributor from a
29 farmers market location.

30 (e) Before a domestic brewery may sell bottled beer at a qualifying
31 farmers market, the farmers market must apply to the board for
32 authorization for any domestic brewery with an endorsement approved
33 under this subsection to sell bottled beer at retail at the farmers
34 market. This application shall include, at a minimum: (i) A map of
35 the farmers market showing all booths, stalls, or other designated
36 locations at which an approved domestic brewery may sell bottled beer;
37 and (ii) the name and contact information for the on-site market
38 managers who may be contacted by the board or its designee to verify

1 the locations at which bottled beer may be sold. Before authorizing a
2 qualifying farmers market to allow an approved domestic brewery to sell
3 bottled beer at retail at its farmers market location, the board shall
4 notify the persons or entities of such application for authorization
5 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under
6 this subsection (5)(e) may be withdrawn by the board for any violation
7 of this title or any rules adopted under this title.

8 (f) The board may adopt rules establishing the application and
9 approval process under this section and such additional rules as may be
10 necessary to implement this section.

11 (g) For the purposes of this subsection:

12 (i) "Qualifying farmers market" means an entity that sponsors a
13 regular assembly of vendors at a defined location for the purpose of
14 promoting the sale of agricultural products grown or produced in this
15 state directly to the consumer under conditions that meet the following
16 minimum requirements:

17 (A) There are at least five participating vendors who are farmers
18 selling their own agricultural products;

19 (B) The total combined gross annual sales of vendors who are
20 farmers exceeds the total combined gross annual sales of vendors who
21 are processors or resellers;

22 (C) The total combined gross annual sales of vendors who are
23 farmers, processors, or resellers exceeds the total combined gross
24 annual sales of vendors who are not farmers, processors, or resellers;

25 (D) The sale of imported items and secondhand items by any vendor
26 is prohibited; and

27 (E) No vendor is a franchisee.

28 (ii) "Farmer" means a natural person who sells, with or without
29 processing, agricultural products that he or she raises on land he or
30 she owns or leases in this state or in another state's county that
31 borders this state.

32 (iii) "Processor" means a natural person who sells processed food
33 that he or she has personally prepared on land he or she owns or leases
34 in this state or in another state's county that borders this state.

35 (iv) "Reseller" means a natural person who buys agricultural
36 products from a farmer and resells the products directly to the
37 consumer.

1 **Sec. 213.** RCW 66.20.010 and 2008 c 181 s 602 are each amended to
2 read as follows:

3 Upon application in the prescribed form being made to any employee
4 authorized by the board to issue permits, accompanied by payment of the
5 prescribed fee, and upon the employee being satisfied that the
6 applicant should be granted a permit under this title, the employee
7 shall issue to the applicant under such regulations and at such fee as
8 may be prescribed by the board a permit of the class applied for, as
9 follows:

10 (1) Where the application is for a special permit by a physician or
11 dentist, or by any person in charge of an institution regularly
12 conducted as a hospital or sanitorium for the care of persons in ill
13 health, or as a home devoted exclusively to the care of aged people, a
14 special liquor purchase permit, except that the governor may waive the
15 requirement for a special liquor purchase permit under this subsection
16 pursuant to an order issued under RCW 43.06.220(2);

17 (2) Where the application is for a special permit by a person
18 engaged within the state in mechanical or manufacturing business or in
19 scientific pursuits requiring alcohol for use therein, or by any
20 private individual, a special permit to purchase alcohol for the
21 purpose named in the permit, except that the governor may waive the
22 requirement for a special liquor purchase permit under this subsection
23 pursuant to an order issued under RCW 43.06.220(2);

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

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

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

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

1 special liquor purchase permit, except that the governor may waive the
2 requirement for a special liquor purchase permit under this subsection
3 pursuant to an order issued under RCW 43.06.220(2);

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

9 (8) Where the application is for a special permit by a vendor that
10 manufactures liquor mixers or a manufacturer, importer, or distributor,
11 or representative thereof, to serve liquor without charge to delegates
12 and guests at a convention of a trade association composed of licensees
13 of the board, when the said liquor is served in a hospitality room or
14 from a booth in a board-approved suppliers' display room at the
15 convention, and when the liquor so served is for consumption in the
16 said hospitality room or display room during the convention, anything
17 in Title 66 RCW to the contrary notwithstanding. Any such spirituous
18 liquor shall be purchased from the board or a spirits, beer, and wine
19 restaurant licensee and any such beer and wine shall be subject to the
20 taxes imposed by RCW 66.24.290 and 66.24.210;

21 (9) Where the application is for a special permit by a
22 manufacturer, importer, or distributor, or representative thereof, to
23 donate liquor for a reception, breakfast, luncheon, or dinner for
24 delegates and guests at a convention of a trade association composed of
25 licensees of the board, when the liquor so donated is for consumption
26 at the said reception, breakfast, luncheon, or dinner during the
27 convention, anything in Title 66 RCW to the contrary notwithstanding.
28 Any such spirituous liquor shall be purchased from the board or a
29 spirits, beer, and wine restaurant licensee and any such beer and wine
30 shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

31 (10) Where the application is for a special permit by a
32 manufacturer, importer, or distributor, or representative thereof, to
33 donate and/or serve liquor without charge to delegates and guests at an
34 international trade fair, show, or exposition held under the auspices
35 of a federal, state, or local governmental entity or organized and
36 promoted by a nonprofit organization, anything in Title 66 RCW to the
37 contrary notwithstanding. Any such spirituous liquor shall be

1 purchased from the board and any such beer or wine shall be subject to
2 the taxes imposed by RCW 66.24.290 and 66.24.210;

3 (11) Where the application is for an annual special permit by a
4 person operating a bed and breakfast lodging facility to donate or
5 serve wine or beer without charge to overnight guests of the facility
6 if the wine or beer is for consumption on the premises of the facility.
7 "Bed and breakfast lodging facility," as used in this subsection, means
8 a facility offering from one to eight lodging units and breakfast to
9 travelers and guests.

10 **PART III**
11 **WINE AGENTS**

12 **Sec. 301.** RCW 66.24.310 and 1997 c 321 s 17 are each amended to
13 read as follows:

14 (1)(a) Except as provided in (b) of this subsection, no person
15 shall canvass for, solicit, receive, or take orders for the purchase or
16 sale of liquor, nor contact any licensees of the board in goodwill
17 activities, unless such person shall be the accredited representative
18 of a person, firm, or corporation holding a certificate of approval
19 issued pursuant to RCW 66.24.270 or 66.24.206, a beer distributor's
20 license, a microbrewer's license, a domestic brewer's license, a beer
21 importer's license, a domestic winery license, a wine importer's
22 license, or a wine distributor's license within the state of
23 Washington, or the accredited representative of a distiller,
24 manufacturer, importer, or distributor of spirituous liquor, or foreign
25 produced beer or wine, and shall have applied for and received a
26 representative's license(~~(: PROVIDED, HOWEVER, That the provisions of~~
27 this section shall not apply to drivers who deliver beer or wine~~;~~)).

28 (b) (a) of this subsection shall not apply to: (i) Drivers who
29 deliver beer or wine; or (ii) domestic wineries or their employees.

30 (2) Every representative's license issued under this title shall be
31 subject to all conditions and restrictions imposed by this title or by
32 the rules and regulations of the board; the board, for the purpose of
33 maintaining an orderly market, may limit the number of representative's
34 licenses issued for representation of specific classes of eligible
35 employers(~~(+)~~).

1 (3) Every application for a representative's license must be
2 approved by a holder of a certificate of approval issued pursuant to
3 RCW 66.24.270 or 66.24.206, a licensed beer distributor, a licensed
4 domestic brewer, a licensed beer importer, a licensed microbrewer, a
5 licensed domestic winery, a licensed wine importer, a licensed wine
6 distributor, or by a distiller, manufacturer, importer, or distributor
7 of spirituous liquor, or foreign produced beer or wine, as the rules
8 and regulations of the board shall require((+)).

9 (4) The fee for a representative's license shall be twenty-five
10 dollars per year((+)).

11 (5) An accredited representative of a distiller, manufacturer,
12 importer, or distributor of spirituous liquor may, after he or she has
13 applied for and received a representative's license, contact retail
14 licensees of the board only in goodwill activities pertaining to
15 spirituous liquor products.

16 **PART IV**
17 **RETAILER'S LICENSE**

18 **Sec. 401.** RCW 66.24.400 and 2008 c 41 s 10 are each amended to
19 read as follows:

20 (1) There shall be a retailer's license, to be known and designated
21 as a spirits, beer, and wine restaurant license, to sell spirituous
22 liquor by the individual glass, beer, and wine, at retail, for
23 consumption on the premises, including mixed drinks and cocktails
24 compounded or mixed on the premises only. A club licensed under
25 chapter 70.62 RCW with overnight sleeping accommodations, that is
26 licensed under this section may sell liquor by the bottle to registered
27 guests of the club for consumption in guest rooms, hospitality rooms,
28 or at banquets in the club. A patron of a bona fide restaurant or club
29 licensed under this section may remove from the premises recorked or
30 recapped in its original container any portion of wine which was
31 purchased for consumption with a meal, and registered guests who have
32 purchased liquor from the club by the bottle may remove from the
33 premises any unused portion of such liquor in its original container.
34 Such license may be issued only to bona fide restaurants and clubs, and
35 to dining, club and buffet cars on passenger trains, and to dining
36 places on passenger boats and airplanes, and to dining places at civic

1 centers with facilities for sports, entertainment, and conventions, and
2 to such other establishments operated and maintained primarily for the
3 benefit of tourists, vacationers and travelers as the board shall
4 determine are qualified to have, and in the discretion of the board
5 should have, a spirits, beer, and wine restaurant license under the
6 provisions and limitations of this title.

7 (2) The board may issue an endorsement to the spirits, beer, and
8 wine restaurant license that allows the holder of a spirits, beer, and
9 wine restaurant license to sell bottled wine for off-premises
10 consumption. Spirits and beer may not be sold for off-premises
11 consumption under this section except as provided in subsection (4) of
12 this section. The annual fee for the endorsement under this subsection
13 is one hundred twenty dollars.

14 (3) The holder of a spirits, beer, and wine license or its manager
15 may furnish beer, wine, or spirituous liquor to the licensee's
16 employees free of charge as may be required for use in connection with
17 instruction on beer, wine, or spirituous liquor. The instruction may
18 include the history, nature, values, and characteristics of beer, wine,
19 or spirituous liquor, the use of wine lists, and the methods of
20 presenting, serving, storing, and handling beer, wine, and spirituous
21 liquor. The spirits, beer, and wine restaurant licensee must use the
22 beer, wine, or spirituous liquor it obtains under its license for the
23 sampling as part of the instruction. The instruction must be given on
24 the premises of the spirits, beer, and wine restaurant licensee.

25 (4) The board may issue an endorsement to the spirits, beer, and
26 wine restaurant license that allows the holder of a spirits, beer, and
27 wine restaurant license to sell for off-premises consumption malt
28 liquor in kegs or other containers that are capable of holding four
29 gallons or more of liquid and are registered in accordance with RCW
30 66.28.200. Beer may also be sold under the endorsement to a purchaser
31 in a sanitary container brought to the premises by the purchaser or
32 furnished by the licensee and filled at the tap by the retailer at the
33 time of sale. The annual fee for the endorsement under this subsection
34 is one hundred twenty dollars.

35 **Sec. 402.** RCW 66.24.590 and 2008 c 41 s 11 are each amended to
36 read as follows:

37 (1) There shall be a retailer's license to be designated as a hotel

1 license. No license may be issued to a hotel offering rooms to its
2 guests on an hourly basis. Food service provided for room service,
3 banquets or conferences, or restaurant operation under this license
4 shall meet the requirements of rules adopted by the board.

5 (2) The hotel license authorizes the licensee to:

6 (a) Sell (~~(spiritous))~~ spirituous liquor, beer, and wine, by the
7 individual glass, at retail, for consumption on the premises, including
8 mixed drinks and cocktails compounded and mixed on the premises;

9 (b) Sell, at retail, from locked honor bars, in individual units,
10 spirits not to exceed fifty milliliters, beer in individual units not
11 to exceed twelve ounces, and wine in individual bottles not to exceed
12 three hundred eighty-five milliliters, to registered guests of the
13 hotel for consumption in guest rooms. The licensee shall require proof
14 of age from the guest renting a guest room and requesting the use of an
15 honor bar. The guest shall also execute an affidavit verifying that no
16 one under twenty-one years of age shall have access to the spirits,
17 beer, and wine in the honor bar;

18 (c) Provide without additional charge, to overnight guests,
19 spirits, beer, and wine by the individual serving for on-premises
20 consumption at a specified regular date, time, and place as may be
21 fixed by the board. Self-service by attendees is prohibited;

22 (d) Sell beer, including strong beer, wine, or spirits, in the
23 manufacturer's sealed container or by the individual drink to guests
24 through room service, or through service to occupants of private
25 residential units which are part of the buildings or complex of
26 buildings that include the hotel;

27 (e) Sell beer, including strong beer, or wine, in the
28 manufacturer's sealed container at retail sales locations within the
29 hotel premises;

30 (f) Sell beer to a purchaser in a sanitary container brought to the
31 premises by the purchaser or furnished by the licensee and filled at
32 the tap in the restaurant area by the licensee at the time of sale;

33 (g) Sell for on or off-premises consumption, including through room
34 service and service to occupants of private residential units managed
35 by the hotel, wine carrying a label exclusive to the hotel license
36 holder;

37 (~~(g))~~ (h) Place in guest rooms at check-in, a complimentary

1 bottle of beer, including strong beer, or wine in a manufacturer-sealed
2 container, and make a reference to this service in promotional
3 material.

4 (3) If all or any facilities for alcoholic beverage service and the
5 preparation, cooking, and serving of food are operated under contract
6 or joint venture agreement, the operator may hold a license separate
7 from the license held by the operator of the hotel. Food and beverage
8 inventory used in separate licensed operations at the hotel may not be
9 shared and shall be separately owned and stored by the separate
10 licensees.

11 (4) All spirits to be sold under this license must be purchased
12 from the board.

13 (5) All on-premise alcoholic beverage service must be done by an
14 alcohol server as defined in RCW 66.20.300 and must comply with RCW
15 66.20.310.

16 (6)(a) The hotel license allows the licensee to remove from the
17 liquor stocks at the licensed premises, liquor for sale and service at
18 event locations at a specified date and place not currently licensed by
19 the board. If the event is open to the public, it must be sponsored by
20 a society or organization as defined by RCW 66.24.375. If attendance
21 at the event is limited to members or invited guests of the sponsoring
22 individual, society, or organization, the requirement that the sponsor
23 must be a society or organization as defined by RCW 66.24.375 is
24 waived.

25 (b) The holder of this license shall, if requested by the board,
26 notify the board or its designee of the date, time, place, and location
27 of any event. Upon request, the licensee shall provide to the board
28 all necessary or requested information concerning the society or
29 organization that will be holding the function at which the endorsed
30 license will be utilized.

31 (c) Licensees may cater events on a domestic winery premises.

32 (7) The holder of this license or its manager may furnish spirits,
33 beer, or wine to the licensee's employees who are twenty-one years of
34 age or older free of charge as may be required for use in connection
35 with instruction on spirits, beer, and wine. The instruction may
36 include the history, nature, values, and characteristics of spirits,
37 beer, or wine, the use of wine lists, and the methods of presenting,
38 serving, storing, and handling spirits, beer, or wine. The licensee

1 must use the beer or wine it obtains under its license for the sampling
2 as part of the instruction. The instruction must be given on the
3 premises of the licensee.

4 (8) Minors may be allowed in all areas of the hotel where alcohol
5 may be consumed; however, the consumption must be incidental to the
6 primary use of the area. These areas include, but are not limited to,
7 tennis courts, hotel lobbies, and swimming pool areas. If an area is
8 not a mixed use area, and is primarily used for alcohol service, the
9 area must be designated and restricted to access by minors.

10 (9) The annual fee for this license is two thousand dollars.

11 (10) As used in this section, "hotel," "spirits," "beer," and
12 "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

13 **PART V**
14 **MISCELLANEOUS**

15 NEW SECTION. **Sec. 501.** Sections 203, 204, and 206 of this act are
16 necessary for the immediate preservation of the public peace, health,
17 or safety, or support of the state government and its existing public
18 institutions, and take effect July 1, 2011.

--- END ---