

---

SENATE BILL 5173

---

State of Washington

55th Legislature

1997 Regular Session

By Senators Schow, Prentice and Horn; by request of Liquor Control Board

Read first time 01/17/97. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to improving the liquor license schematic of the  
2 state of Washington; amending RCW 66.24.010, 66.24.150, 66.24.170,  
3 66.24.185, 66.24.200, 66.24.206, 66.24.210, 66.24.230, 66.24.240,  
4 66.24.250, 66.24.270, 66.24.290, 66.24.310, 66.24.320, 66.24.330,  
5 66.24.350, 66.24.360, 66.24.380, 66.24.395, 66.24.400, 66.24.420,  
6 66.24.425, 66.24.440, 66.24.450, 66.24.455, 66.24.495, 66.24.540,  
7 66.24.550, 66.24.570, 66.04.010, 66.28.200, 66.24.210, 15.88.030,  
8 19.126.020, 66.16.100, 66.20.300, 66.28.040, 66.28.050, 66.28.170,  
9 66.28.180, 66.28.190, 66.44.310, 66.98.060, and 82.08.150; amending  
10 1973 1st ex.s. c 204 s 3 (uncodified); reenacting and amending RCW  
11 66.20.010, 66.20.310, and 66.28.010; adding new sections to chapter  
12 66.24 RCW; creating a new section; repealing RCW 66.24.204, 66.24.260,  
13 66.24.340, 66.24.370, 66.24.490, 66.24.500, 66.24.510, and 66.24.560;  
14 prescribing penalties; providing an effective date; and declaring an  
15 emergency.

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

17 **Sec. 1.** RCW 66.24.010 and 1995 c 232 s 1 are each amended to read  
18 as follows:

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

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

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

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

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

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

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

38 Witnesses shall be allowed fees and mileage each way to and from  
39 any such inquiry, investigation, hearing, or proceeding at the rate

1 authorized by RCW 34.05.446, as now or hereafter amended. Fees need  
2 not be paid in advance of appearance of witnesses to testify or to  
3 produce books, records, or other legal evidence.

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

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

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

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

36 (6) Every license issued under this section shall be subject to all  
37 conditions and restrictions imposed by this title or by the regulations  
38 in force from time to time. All conditions and restrictions imposed by  
39 the board in the issuance of an individual license shall be listed on

1 the face of the individual license along with the trade name, address,  
2 and expiration date.

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

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

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

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

25 (10) The restrictions set forth in subsection (9) of this section  
26 shall not prohibit the board from authorizing the assumption of  
27 existing licenses now located within the restricted area by other  
28 persons or licenses or relocations of existing licensed premises within  
29 the restricted area. In no case may the licensed premises be moved  
30 closer to a church or school than it was before the assumption or  
31 relocation.

32 (11) Nothing in this section prohibits the board, in its  
33 discretion, from issuing a temporary retail or ~~((wholesaler))~~  
34 distributor license to an applicant assuming an existing retail or  
35 ~~((wholesaler))~~ distributor license to continue the operation of the  
36 retail or ~~((wholesaler))~~ distributor premises during the period the  
37 application for the license is pending and when the following  
38 conditions exist:

1 (a) The licensed premises has been operated under a retail or  
2 (~~wholesaler~~) distributor license within ninety days of the date of  
3 filing the application for a temporary license;

4 (b) The retail or (~~wholesaler~~) distributor license for the  
5 premises has been surrendered pursuant to issuance of a temporary  
6 operating license;

7 (c) The applicant for the temporary license has filed with the  
8 board an application to assume the retail or (~~wholesaler~~) distributor  
9 license at such premises to himself or herself; and

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

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

17 Refusal by the board to issue or extend a temporary license shall  
18 not entitle the applicant to request a hearing. A temporary license  
19 may be canceled or suspended summarily at any time if the board  
20 determines that good cause for cancellation or suspension exists. RCW  
21 66.08.130 and chapter 34.05 RCW shall apply to temporary licenses.

22 Application for a temporary license shall be on such form as the  
23 board shall prescribe. If an application for a temporary license is  
24 withdrawn before issuance or is refused by the board, the fee which  
25 accompanied such application shall be refunded in full.

26 **Sec. 2.** RCW 66.24.150 and 1981 1st ex.s. c 5 s 29 are each amended  
27 to read as follows:

28 There shall be a license to manufacturers of liquor, including all  
29 kinds of manufacturers except those licensed as distillers, domestic  
30 brewers, microbreweries, wineries, and domestic wineries, authorizing  
31 such licensees to manufacture, import, sell, and export liquor from the  
32 state; fee five hundred dollars per annum.

33 **Sec. 3.** RCW 66.24.170 and 1991 c 192 s 2 are each amended to read  
34 as follows:

35 (1) There shall be a license (~~to~~) for domestic wineries; fee to  
36 be computed only on the liters manufactured: (~~One hundred~~) Less than  
37 two hundred fifty thousand liters (~~or less~~) per year, one hundred

1 dollars per year; (~~over one hundred~~) and two hundred fifty thousand  
2 liters (~~to seven hundred fifty thousand liters~~) or more per year,  
3 four hundred dollars per year (~~; and over seven hundred fifty thousand~~  
4 ~~liters per year, eight hundred dollars per year~~)).

5 (2) (~~Any applicant for a domestic winery license shall, at the~~  
6 ~~time of filing application for license, accompany such application with~~  
7 ~~a license fee based upon a reasonable estimate of the amount of wine~~  
8 ~~liters to be manufactured by such applicant. Persons holding domestic~~  
9 ~~winery licenses shall report annually at the end of each fiscal year,~~  
10 ~~at such time and in such manner as the board may prescribe, the amount~~  
11 ~~of wine manufactured by them during the fiscal year. If the total~~  
12 ~~amount of wine manufactured during the year exceeds the amount~~  
13 ~~permitted annually by the license fee already paid the board, the~~  
14 ~~licensee shall pay such additional license fee as may be unpaid in~~  
15 ~~accordance with the schedule provided in this section~~) The license  
16 allows for the manufacture of wine in Washington state from grapes or  
17 other agricultural products.

18 (3) Any domestic winery licensed under this section (~~shall~~) may  
19 also (~~be considered as holding, for the purposes of selling or~~  
20 ~~importing wine~~) act as a distributor and/or retailer of wine of its  
21 own production(~~, a current wine wholesaler's license under RCW~~  
22 ~~66.24.200, a wine importer's license under RCW 66.24.204, and a wine~~  
23 ~~retailer's license, class F, under RCW 66.24.370 without further~~  
24 ~~application or fee~~). Any winery operating as a (~~wholesaler,~~  
25 ~~importer, or~~) distributor and/or retailer under this subsection shall  
26 comply with the applicable laws and rules relating to (~~wholesalers,~~  
27 ~~importers, and~~) distributors and/or retailers.

28 (4) Wine produced in Washington state by a domestic winery licensee  
29 may be shipped out-of-state for the purpose of making it into sparkling  
30 wine and then returned to such licensee for resale. Such wine shall be  
31 deemed wine manufactured in the state of Washington for the purposes of  
32 RCW 66.24.206, and shall not require a special license.

33 **Sec. 4.** RCW 66.24.185 and 1984 c 19 s 1 are each amended to read  
34 as follows:

35 (1) There shall be a license for bonded wine warehouses which shall  
36 authorize the storage of bottled wine only. Under this license a  
37 licensee may maintain a warehouse for the storage of wine off the  
38 premises of a winery.

1 (2) The board shall adopt similar qualifications for a bonded wine  
2 warehouse license as required for obtaining a domestic winery license  
3 as specified in RCW 66.24.010 and 66.24.170. A licensee must be a sole  
4 proprietor, a partnership, a limited liability company, or a  
5 corporation. One or more domestic wineries may operate as a  
6 partnership, corporation, business co-op, or agricultural co-op for the  
7 purposes of obtaining a bonded wine warehouse license.

8 (3) All bottled wine shipped to a bonded wine warehouse from a  
9 winery or another bonded wine warehouse shall remain under bond and no  
10 tax imposed under RCW 66.24.210 shall be due, unless the wine is  
11 removed from bond and shipped to a licensed Washington wine  
12 ~~((wholesaler))~~ distributor. Wine may be removed from a bonded wine  
13 warehouse only for the purpose of being (a) exported from the state,  
14 (b) shipped to a licensed Washington wine ~~((wholesaler))~~ distributor,  
15 or (c) returned to a winery or bonded wine warehouse.

16 (4) Warehousing of wine by any person other than (a) a licensed  
17 domestic winery or a bonded wine warehouse licensed under the  
18 provisions of this section, (b) a licensed Washington wine  
19 ~~((wholesaler))~~ distributor, (c) a ~~((licensed Washington wine importer))~~  
20 wine certificate of approval holder (W7), or (d) the liquor control  
21 board, is prohibited.

22 (5) A license applicant shall hold a federal permit for a bonded  
23 wine cellar and post a continuing wine tax bond in the amount of five  
24 thousand dollars in a form prescribed by the board prior to the  
25 issuance of a bonded wine warehouse license. The fee for this license  
26 shall be one hundred dollars per annum.

27 (6) The board shall adopt rules requiring a bonded wine warehouse  
28 to be physically secure, zoned for the intended use and physically  
29 separated from any other use.

30 (7) Every licensee shall submit to the board a monthly report of  
31 movement of bottled wines to and from a bonded wine warehouse in a form  
32 prescribed by the board. The board may adopt other necessary  
33 procedures by which bonded wine warehouses are licensed and regulated.

34 **Sec. 5.** RCW 66.24.200 and 1981 1st ex.s. c 5 s 32 are each amended  
35 to read as follows:

36 There shall be a license ~~((to))~~ for wine ~~((wholesalers))~~  
37 distributors to sell wine, ~~((manufactured within or without the state,~~  
38 ~~to licensed wholesalers and/or to holders of wine retailer's licenses))~~



1 purchased from licensed Washington wineries, wine certificate of  
2 approval holders (W7), or suppliers of foreign wine located outside the  
3 state of Washington, to licensed wine retailers and other wine  
4 distributors and to export the same from the state; fee ((five)) seven  
5 hundred fifty dollars per ((annum)) year for each distributing unit.

6 **Sec. 6.** RCW 66.24.206 and 1981 1st ex.s. c 5 s 34 are each amended  
7 to read as follows:

8 ~~((No wine wholesaler nor wine importer shall purchase any wine not~~  
9 ~~manufactured within the state of Washington by a winery holding a~~  
10 ~~license as a manufacturer of wine from the state of Washington, and/or~~  
11 ~~transport or cause the same to be transported into the state of~~  
12 ~~Washington for resale therein, unless the winery or manufacturer of~~  
13 ~~such wine, or the licensed importer of wine produced outside the United~~  
14 ~~States, has obtained from the Washington state liquor control board a~~  
15 ~~certificate of approval, as hereinafter provided.))~~ A United States  
16 winery or manufacturer of wine, located outside the state of  
17 Washington, must hold a certificate of approval (W7) to allow sales and  
18 shipment of the certificate of approval holder's wine to licensed  
19 Washington wine distributors. The certificate of approval ((herein  
20 ~~provided for~~)) shall not be granted unless and until such winery((~~7~~)  
21 ~~or manufacturer~~((~~7~~ ~~or licensed importer of wine produced outside the~~  
22 ~~United States~~)) shall have made a written agreement with the board to  
23 furnish to the board, on or before the twentieth day of each month, a  
24 report under oath, on a form to be prescribed by the board, showing the  
25 quantity of wine sold or delivered to each licensed wine ((~~importer, or~~  
26 ~~imported by the licensed importer of wine produced outside the United~~  
27 ~~States~~)) distributor, during the preceding month, and shall further  
28 have agreed with the board, that such wineries, manufacturers, or  
29 licensed importers of wine produced outside the United States, and all  
30 general sales corporations or agencies maintained by them, and all of  
31 their trade representatives ((~~and agents~~)), shall and will faithfully  
32 comply with all laws of the state of Washington pertaining to the sale  
33 of intoxicating liquors and all rules and regulations of the Washington  
34 state liquor control board. ((~~If any such winery, manufacturer, or~~  
35 ~~licensed importer of wine produced outside the United States, shall,~~  
36 ~~after obtaining such certificate, fail to submit such report, or if~~  
37 ~~such winery, manufacturer, or licensed importer of wine produced~~  
38 ~~outside the United States, or general sales corporations or agencies~~

1 maintained by them, or their trade representatives or agents, shall  
2 violate the terms of such agreement, the board shall, in its  
3 discretion, suspend or revoke such certificate: PROVIDED, HOWEVER,  
4 That such certificates of approval shall only authorize the holder  
5 thereof to ship or import into the state of Washington specifically  
6 named designated and identified types of wine which conform to the  
7 provisions of RCW 66.28.110 and for which the liquor control board has  
8 issued a certificate of label approval. The Washington state liquor  
9 control board shall not certify wines labeled with names which may be  
10 confused with other nonalcoholic beverages, whether manufactured or  
11 produced from a domestic winery or imported, nor wines which fail to  
12 meet quality standards established by the board)) A violation of the  
13 terms of this agreement will cause the board to take action to suspend  
14 or revoke such certificate.

15 The fee for the certificate of approval, issued pursuant to the  
16 provisions of this title, shall be one hundred dollars per ((annum))  
17 year, which sum shall accompany the application for such certificate.

18 **Sec. 7.** RCW 66.24.210 and 1996 c 118 s 1 are each amended to read  
19 as follows:

20 (1) There is hereby imposed upon all wines except cider sold to  
21 wine ((wholesalers)) distributors and the Washington state liquor  
22 control board, within the state a tax at the rate of twenty and one-  
23 fourth cents per liter ((and)). There is hereby imposed on all cider  
24 sold to wine ((wholesalers)) distributors and the Washington state  
25 liquor control board within the state a tax at the rate of three and  
26 fifty-nine one-hundredths cents per liter: PROVIDED, HOWEVER, That  
27 wine sold or shipped in bulk from one winery to another winery shall  
28 not be subject to such tax. The tax provided for in this section shall  
29 be collected by direct payments based on wine purchased by wine  
30 ((wholesalers)) distributors. Every person purchasing wine under the  
31 provisions of this section shall on or before the twentieth day of each  
32 month report to the board all purchases during the preceding calendar  
33 month in such manner and upon such forms as may be prescribed by the  
34 board, and with such report shall pay the tax due from the purchases  
35 covered by such report unless the same has previously been paid. Any  
36 such purchaser of wine whose applicable tax payment is not postmarked  
37 by the twentieth day following the month of purchase will be assessed  
38 a penalty at the rate of two percent a month or fraction thereof. The

1 board may require that every such person shall execute to and file with  
2 the board a bond to be approved by the board, in such amount as the  
3 board may fix, securing the payment of the tax. If any such person  
4 fails to pay the tax when due, the board may forthwith suspend or  
5 cancel the license until all taxes are paid.

6 (2) An additional tax is imposed equal to the rate specified in RCW  
7 82.02.030 multiplied by the tax payable under subsection (1) of this  
8 section. All revenues collected during any month from this additional  
9 tax shall be transferred to the state general fund by the twenty-fifth  
10 day of the following month.

11 (3) An additional tax is imposed on wines subject to tax under  
12 subsection (1) of this section, at the rate of one-fourth of one cent  
13 per liter for wine sold after June 30, 1987. After June 30, 1996, such  
14 additional tax does not apply to cider. An additional tax of five one-  
15 hundredths of one cent per liter is imposed on cider sold after June  
16 30, 1996. The additional taxes imposed by this subsection (3) shall  
17 cease to be imposed on July 1, 2001. All revenues collected under this  
18 subsection (3) shall be disbursed quarterly to the Washington wine  
19 commission for use in carrying out the purposes of chapter 15.88 RCW.

20 (4) An additional tax is imposed on all wine subject to tax under  
21 subsection (1) of this section. The additional tax is equal to twenty-  
22 three and forty-four one-hundredths cents per liter on fortified wine  
23 as defined in RCW 66.04.010(~~(+34+)~~) (36) when bottled or packaged by  
24 the manufacturer, one cent per liter on all other wine except cider,  
25 and eighteen one-hundredths of one cent per liter on cider. All  
26 revenues collected during any month from this additional tax shall be  
27 deposited in the violence reduction and drug enforcement account under  
28 RCW 69.50.520 by the twenty-fifth day of the following month.

29 (5)(a) An additional tax is imposed on all cider subject to tax  
30 under subsection (1) of this section. The additional tax is equal to  
31 two and four one-hundredths cents per liter of cider sold after June  
32 30, 1996, and before July 1, 1997, and is equal to four and seven one-  
33 hundredths cents per liter of cider sold after June 30, 1997.

34 (b) All revenues collected from the additional tax imposed under  
35 this subsection (5) shall be deposited in the health services account  
36 under RCW 43.72.900.

37 (6) For the purposes of this section, "cider" means table wine that  
38 contains not less than one-half of one percent of alcohol by volume and  
39 not more than seven percent of alcohol by volume and is made from the

1 normal alcoholic fermentation of the juice of sound, ripe apples or  
2 pears. "Cider" includes, but is not limited to, flavored, sparkling,  
3 or carbonated cider and cider made from condensed apple or pear must.

4 **Sec. 8.** 1973 1st ex.s. c 204 s 3 (uncodified) is amended to read as  
5 follows:

6 There is hereby imposed upon every licensed wine (~~wholesaler~~)  
7 distributor who possesses wine for resale upon which the tax has not  
8 been paid under section 2 (~~of this~~), chapter 204, Laws of 1973  
9 (~~amendatory act~~), a floor stocks tax of sixty-five cents per wine  
10 gallon on wine in his or her possession or under his or her control on  
11 June 30, 1973. Each such (~~wholesaler~~) distributor shall within  
12 twenty days after June 30, 1973, file a report with the Washington  
13 state liquor control board in such form as the board may prescribe,  
14 showing the wine products on hand July 1, 1973, converted to gallons  
15 thereof and the amount of tax due thereon. The tax imposed by this  
16 section shall be due and payable within twenty days after July 1, 1973,  
17 and thereafter bear interest at the rate of one percent per month.

18 **Sec. 9.** RCW 66.24.230 and 1969 ex.s. c 21 s 4 are each amended to  
19 read as follows:

20 Every winery and wine (~~importer~~) distributor licensed under this  
21 title shall make monthly reports to the board pursuant to the  
22 regulations. Such winery and wine (~~importer~~) distributor shall make  
23 no sales of wine within the state of Washington except to the board, or  
24 as otherwise provided in this title.

25 **Sec. 10.** RCW 66.24.240 and 1985 c 226 s 1 are each amended to read  
26 as follows:

27 (1) There shall be a license (~~to brewers to manufacture malt~~  
28 ~~liquors,~~) for domestic breweries; fee (~~per annum~~) to be (~~based on~~  
29 ~~current fiscal year's production at the rate of fifty dollars per~~  
30 ~~thousand barrels, with a maximum fee of two thousand dollars, such~~  
31 ~~license fee to be collected and paid under such rules and regulations~~  
32 ~~as the board shall prescribe)) two thousand dollars for production of  
33 sixty thousand barrels or more of malt liquor per year.~~

34 (2) Any domestic brewery licensed under this section (~~shall~~) may  
35 also (~~be considered as holding, for the purposes of selling malt~~  
36 ~~liquor of its own production, a beer wholesaler's license under RCW~~

1 ~~66.24.250, a beer retailer's license, class B, under RCW 66.24.330, and~~  
2 ~~a beer retailer's license, class E, under RCW 66.24.360 without further~~  
3 ~~application or fee)) act as a distributor and/or retailer for beer of~~  
4 ~~its own production. Any domestic brewery operating as a ((wholesaler~~  
5 ~~or)) distributor and/or retailer under this subsection shall comply~~  
6 ~~with the applicable laws and rules relating to ((such wholesalers and~~  
7 ~~retailers)) distributors and/or retailers.~~

8 (3) The license also allows on-premises consumption of beer and  
9 wine of other manufacture if purchased from a Washington state-licensed  
10 distributor under: Tavern privileges, persons under twenty-one years  
11 of age not allowed, as provided for in RCW 66.24.330; or beer and wine  
12 restaurant privileges as provided for in RCW 66.24.320.

13 NEW SECTION. Sec. 11. A new section is added to chapter 66.24 RCW  
14 to read as follows:

15 (1) There shall be a license for microbreweries; fee to be five  
16 hundred dollars for production of less than sixty thousand barrels of  
17 malt liquor per year.

18 (2) Any microbrewery licensed under this section may also act as a  
19 distributor and/or retailer for beer of its own production. Any  
20 microbrewery operating as a distributor and/or retailer under this  
21 subsection shall comply with the applicable laws and rules relating to  
22 distributors and/or retailers.

23 (3) The license also allows on-premises consumption of beer and  
24 wine of other manufacture if purchased from a Washington state-licensed  
25 distributor under: Tavern privileges, persons under twenty-one years  
26 of age not allowed, as provided for in RCW 66.24.330; or beer and wine  
27 restaurant privileges as provided for in RCW 66.24.320.

28 Sec. 12. RCW 66.24.250 and 1981 1st ex.s. c 5 s 14 are each  
29 amended to read as follows:

30 There shall be a license ~~((to))~~ for beer ~~((wholesalers))~~  
31 distributors to sell beer ~~((, manufactured within or without the state,~~  
32 ~~to licensed wholesalers and/or to holders of beer retailer's licenses,~~  
33 ~~and to export the same from the state; fee five hundred dollars per~~  
34 ~~annum for each distributing unit)), purchased from licensed Washington~~  
35 breweries, beer certificate of approval holders (B5), or suppliers of  
36 foreign beer located outside the state of Washington, to licensed beer  
37 retailers and other beer distributors and to export same from the state

1 of Washington; fee seven hundred fifty dollars per year for each  
2 distributing unit.

3 **Sec. 13.** RCW 66.24.270 and 1981 1st ex.s. c 5 s 35 are each  
4 amended to read as follows:

5 (1) Every person, firm or corporation, holding a license to  
6 manufacture malt liquors within the state of Washington, shall, on or  
7 before the twentieth day of each month, furnish to the Washington state  
8 liquor control board, on a form to be prescribed by the board, a  
9 statement showing the quantity of malt liquors sold for resale during  
10 the preceding calendar month to each beer ((~~wholesaler~~)) distributor  
11 within the state of Washington;

12 (2) ((~~No beer wholesaler nor beer importer shall purchase any beer~~  
13 ~~not manufactured within the state of Washington by a brewer holding a~~  
14 ~~license as a manufacturer of malt liquors from the state of Washington,~~  
15 ~~and/or transport or cause the same to be transported into the state of~~  
16 ~~Washington for resale therein, unless the brewer or manufacturer of~~  
17 ~~such beer or the licensed importer of beer produced outside the United~~  
18 ~~States has obtained from the Washington state liquor control board a~~  
19 ~~certificate of approval, as hereinafter provided.~~)) A United States  
20 brewery or manufacturer of beer, located outside the state of  
21 Washington, must hold a certificate of approval (B5) to allow sales and  
22 shipment of the certificate of approval holder's beer to licensed  
23 Washington beer distributors. The certificate of approval ((~~herein~~  
24 ~~provided for~~)) shall not be granted unless and until such brewer or  
25 manufacturer of ((~~malt liquors or the licensed importer of beer~~  
26 ~~produced outside the United States~~)) beer shall have made a written  
27 agreement with the board to furnish to the board, on or before the  
28 twentieth day of each month, a report under oath, on a form to be  
29 prescribed by the board, showing the quantity of beer sold or delivered  
30 to each licensed beer ((~~importer or imported by the licensed importer~~  
31 ~~of beer produced outside the United States~~)) distributor during the  
32 preceding month, and shall further have agreed with the board, that  
33 such brewer or manufacturer of ((~~malt liquors or the licensed importer~~  
34 ~~of beer produced outside the United States~~)) beer and all general sales  
35 corporations or agencies maintained by ((~~such brewers or manufacturers~~  
36 ~~or importers~~)) them, and all of their trade representatives ((~~or agents~~  
37 ~~of such brewer or manufacturer of malt liquors or the licensed importer~~  
38 ~~of beer produced outside the United States, and of such general~~

1 sales)) corporations, and agencies, shall and will faithfully comply  
2 with all laws of the state of Washington pertaining to the sale of  
3 intoxicating liquors and all rules and regulations of the Washington  
4 state liquor control board. If any such brewer or manufacturer of malt  
5 liquors or the licensed (~~importer~~) distributor of beer produced  
6 outside the United States shall, after obtaining such certificate, fail  
7 to submit such report, or if such brewer or manufacturer of malt  
8 liquors or the licensed importer of beer produced outside the United  
9 States or general sales corporation or agency maintained by such  
10 brewers or manufacturers or importers, or any representative or agent  
11 thereof, shall violate the terms of such agreement, the board shall, in  
12 its discretion, suspend or revoke such certificate;

13 (3) The fee for the certificate of approval, issued pursuant to the  
14 provisions of this title, shall be one hundred dollars per (~~annum~~)  
15 year, which sum shall accompany the application for such certificate.

16 **Sec. 14.** RCW 66.24.290 and 1995 c 232 s 4 are each amended to read  
17 as follows:

18 (1) Any (~~brewer~~) microbrewer or domestic brewery or beer  
19 (~~wholesaler~~) distributor licensed under this title may sell and  
20 deliver beer to holders of authorized licenses direct, but to no other  
21 person, other than the board; and every such (~~brewer~~) brewery or beer  
22 (~~wholesaler~~) distributor shall report all sales to the board monthly,  
23 pursuant to the regulations, and shall pay to the board as an added tax  
24 for the privilege of manufacturing and selling the beer within the  
25 state a tax of two dollars and sixty cents per barrel of thirty-one  
26 gallons on sales to licensees within the state and on sales to  
27 licensees within the state of bottled and canned beer shall pay a tax  
28 computed in gallons at the rate of two dollars and sixty cents per  
29 barrel of thirty-one gallons. Any (~~brewer~~) brewery or beer  
30 (~~wholesaler~~) distributor whose applicable tax payment is not  
31 postmarked by the twentieth day following the month of sale will be  
32 assessed a penalty at the rate of two percent per month or fraction  
33 thereof. Beer shall be sold by (~~brewers~~) breweries and  
34 (~~wholesalers~~) distributors in sealed barrels or packages.

35 (2) An additional tax is imposed equal to seven percent multiplied  
36 by the tax payable under subsection (1) of this section. All revenues  
37 collected during any month from this additional tax shall be

1 transferred to the state general fund by the twenty-fifth day of the  
2 following month.

3 (3) An additional tax is imposed on all beer subject to tax under  
4 subsection (1) of this section. The additional tax is equal to two  
5 dollars per barrel of thirty-one gallons. All revenues collected  
6 during any month from this additional tax shall be deposited in the  
7 violence reduction and drug enforcement account under RCW 69.50.520 by  
8 the twenty-fifth day of the following month.

9 (4)(a) An additional tax is imposed on all beer subject to tax  
10 under subsection (1) of this section. The additional tax is equal to  
11 ninety-six cents per barrel of thirty-one gallons through June 30,  
12 1995, two dollars and thirty-nine cents per barrel of thirty-one  
13 gallons for the period July 1, 1995, through June 30, 1997, and four  
14 dollars and seventy-eight cents per barrel of thirty-one gallons  
15 thereafter.

16 (b) The additional tax imposed under this subsection does not apply  
17 to the sale of the first sixty thousand barrels of beer each year by  
18 breweries that are entitled to a reduced rate of tax under 26 U.S.C.  
19 Sec. 5051, as existing on July 1, 1993, or such subsequent date as may  
20 be provided by the board by rule consistent with the purposes of this  
21 exemption.

22 (c) All revenues collected from the additional tax imposed under  
23 this subsection (4) shall be deposited in the health services account  
24 under RCW 43.72.900.

25 (5) The tax imposed under this section shall not apply to "strong  
26 beer" as defined in this title.

27 **Sec. 15.** RCW 66.24.310 and 1981 1st ex.s. c 5 s 36 are each  
28 amended to read as follows:

29 (1) No person shall canvass for, solicit, receive, or take orders  
30 for the purchase or sale of liquor, nor contact any licensees of the  
31 board in goodwill activities, unless such person shall be the  
32 accredited representative of a person, firm, or corporation holding a  
33 certificate of approval issued pursuant to RCW 66.24.270 or 66.24.206,  
34 a beer (~~wholesaler's~~) distributor's license, a microbrewer's license,  
35 a domestic brewer's license, a (~~beer importer's license~~, a) domestic  
36 winery license, (~~a wine importer's license~~,) or a wine  
37 (~~wholesaler's~~) distributor's license within the state of Washington,  
38 or the accredited representative of a distiller, manufacturer,



1 importer, or distributor of spirituous liquor, or foreign produced beer  
2 or wine, and shall have applied for and received (~~((an agent's))~~) a  
3 representative's license: PROVIDED, HOWEVER, That the provisions of  
4 this section shall not apply to drivers who deliver beer or wine;

5 (2) Every (~~((agent's))~~) representative's license issued under this  
6 title shall be subject to all conditions and restrictions imposed by  
7 this title or by the rules and regulations of the board; the board, for  
8 the purpose of maintaining an orderly market, may limit the number of  
9 (~~((agent's))~~) representative's licenses issued for representation of  
10 specific classes of eligible employers;

11 (3) Every application for (~~((an agent's))~~) a representative's license  
12 must be approved by a holder of a certificate of approval issued  
13 pursuant to RCW 66.24.270 or 66.24.206, a licensed beer (~~((wholesaler))~~)  
14 distributor, a licensed domestic brewer, a licensed (~~((beer importer))~~)  
15 microbrewer, a licensed domestic winery, a licensed wine (~~((importer, a~~  
16 ~~licensed wine wholesaler))~~) distributor, or by a distiller,  
17 manufacturer, importer, or distributor of spirituous liquor, or foreign  
18 produced beer or wine, as the rules and regulations of the board shall  
19 require;

20 (4) The fee for (~~((an agent's))~~) a representative's license shall be  
21 twenty-five dollars per (~~((annum))~~) year;

22 (5) An accredited representative of a distiller, manufacturer,  
23 importer, or distributor of spirituous liquor may, after he or she has  
24 applied for and received (~~((an agent's))~~) a representative's license,  
25 contact retail licensees of the board only in goodwill activities  
26 pertaining to spirituous liquor products.

27 **Sec. 16.** RCW 66.24.320 and 1995 c 232 s 6 are each amended to read  
28 as follows:

29 There shall be a beer (~~((retailer's))~~) and wine restaurant license  
30 (~~((to be designated as a class A license))~~) to sell beer and wine at  
31 retail, for consumption both on and off the premises (~~((and to sell beer~~  
32 ~~for consumption off the premises))~~). Beer and wine sold for consumption  
33 off the premises must be in original sealed packages of the  
34 manufacturer or bottler (~~((of not less than four gallons))~~). Licensees  
35 holding this type of license may also sell malt liquor in kegs or other  
36 containers that are capable of holding four gallons or more of liquid  
37 and are registered in accordance with RCW 66.28.200. Beer may be sold  
38 to a purchaser in a sanitary container brought to the premises by the

1 purchaser and filled at the tap by the retailer at the time of sale.  
2 (~~Such licenses may be issued only to hotels, restaurants, drug stores~~  
3 ~~or soda fountains, dining places on boats and airplanes, to clubs, and~~  
4 ~~at sports arenas or race tracks during recognized professional athletic~~  
5 ~~events. The annual fee for said license, if issued in cities and~~  
6 ~~towns, shall be graduated according to the population thereof as~~  
7 ~~follows:~~

8 Cities and towns ----- Fee

9 Less than 20,000 ----- \$ 205

10 20,000 or over ----- \$ 355)) Further, a patron of

11 the licensee may remove from the premises, recorked or recapped in its  
12 original container, any portion of wine that was purchased for  
13 consumption with a meal.

14 (1) ~~The annual fee for such license(, if issued outside of cities~~  
15 ~~and towns,) shall be ((two)) five hundred ((five)) dollars. ((The~~  
16 ~~annual license fee for such license, if issued to dining places on~~  
17 ~~vessels not exceeding one thousand gross tons, plying on inland waters~~  
18 ~~of the state of Washington on regular schedules, shall be two hundred~~  
19 ~~five dollars.))~~

20 (2) The board may issue a caterer's endorsement to this license to  
21 allow the licensee to remove from the liquor stocks at the licensed  
22 premises, liquor for sale and service at special occasion locations at  
23 a specified date and place not currently licensed by the board. The  
24 privilege of selling and serving liquor under the endorsement is  
25 limited to members and guests of a society or organization as defined  
26 in RCW 66.24.375. Cost of the endorsement is three hundred fifty  
27 dollars.

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

34 (b) If attendance at the function will be limited to members and  
35 invited guests of the sponsoring society or organization, the  
36 requirement that the society or organization be within the definition  
37 of RCW 66.24.375 is waived.

1        NEW SECTION.    **Sec. 17.** A new section is added to chapter 66.24 RCW  
2 to read as follows:

3        (1) There shall be a beer and wine restaurant license to sell beer,  
4 in bottles and cans, and wine at retail for consumption on the  
5 premises. Further, a patron of such licensee may remove from the  
6 premises, recorked or recapped in its original container, any portion  
7 of wine that was purchased for consumption with a meal. The annual fee  
8 for the license is three hundred sixty dollars.

9        (2) The board may issue a caterer's endorsement to this license to  
10 allow the licensee to remove from the liquor stocks at the licensed  
11 premises, liquor for sale and service at special occasion locations at  
12 a specified date and place not currently licensed by the board. The  
13 privilege of selling and serving liquor under the endorsement is  
14 limited to members and guests of a society or organization as defined  
15 in RCW 66.24.375. Cost of the endorsement is three hundred fifty  
16 dollars.

17        (a) The holder of this license with catering endorsement shall, if  
18 requested by the board, notify the board or its designee of the date,  
19 time, place, and location of any catered event. Upon request, the  
20 licensee shall provide to the board all necessary or requested  
21 information concerning the society or organization that will be holding  
22 the function at which the endorsed license will be utilized.

23        (b) If attendance at the function will be limited to members and  
24 invited guests of the sponsoring society or organization, the  
25 requirement that the society or organization be within the definition  
26 of RCW 66.24.375 is waived.

27        **Sec. 18.** RCW 66.24.330 and 1995 c 232 s 7 are each amended to read  
28 as follows:

29        There shall be a beer and wine retailer's license to be designated  
30 as a ((class B)) tavern license to sell beer and wine at retail, for  
31 consumption both on and off the premises ((and to sell beer for  
32 consumption off the premises)). Licensees holding this type of license  
33 may also sell malt liquor in kegs or other containers that are capable  
34 of holding four gallons or more of liquid and are registered in  
35 accordance with RCW 66.28.200. Beer and wine sold for consumption off  
36 the premises must be in original sealed packages of the manufacturer or  
37 bottler of not less than four gallons. Beer may be sold to a purchaser  
38 in a sanitary container brought to the premises by the purchaser and

1 filled at the tap by the retailer at the time of sale. Such licenses  
2 may be issued only to a person operating a tavern that may be  
3 frequented only by persons twenty-one years of age and older. ((The  
4 annual fee for said license, if issued in cities and towns, shall be  
5 graduated according to the population thereof as follows:

| 6 | Cities and towns | Fee      |
|---|------------------|----------|
| 7 | Less than 20,000 | \$ 205   |
| 8 | 20,000 or over   | \$ 355)) |

9 The annual fee for such license((, if issued outside of cities and  
10 towns,)) shall be ((two)) five hundred ((five)) dollars.

11 **Sec. 19.** RCW 66.24.350 and 1991 c 42 s 3 are each amended to read  
12 as follows:

13 There shall be a beer retailer's license to be designated as (({a}  
14 class-D)) a snack bar license to sell beer by the opened bottle or can  
15 at retail, for consumption upon the premises only, such license to be  
16 issued to ((hotels, restaurants, dining places on boats and aeroplanes,  
17 clubs, drug stores, or soda fountains, and such other)) places where  
18 the sale of beer is not the principal business conducted; fee one  
19 hundred twenty-five dollars per ((annum)) year.

20 **Sec. 20.** RCW 66.24.360 and 1993 c 21 s 1 are each amended to read  
21 as follows:

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

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

31 (2) The annual fee for the grocery store license is ((seventy-  
32 five)) one hundred fifty dollars for each store((: PROVIDED, That a  
33 holder of a class A or a class B license shall be entitled to the  
34 privileges permitted in this section by paying an annual fee of twenty-  
35 five dollars for each store. Licensees under this section whose  
36 business is primarily the sale of beer and/or wine at retail may

1 provide, free or for a charge, single serving samples of two ounces or  
2 less to customers for the purpose of sales promotion. Sampling  
3 activities of licensees under this section shall be subject to RCW  
4 66.28.010 and 66.28.040 and the cost of sampling under this section may  
5 not be borne, directly or indirectly, by any manufacturer, importer, or  
6 wholesaler of liquor.

7 For the purpose of this section, "beer" includes, in addition to  
8 the usual and customary meaning, bottle conditioned beer which has been  
9 fermented partially or completely in the container in which it is sold  
10 to the retail customer and which may contain residual active yeast.  
11 The bottles and original packages in which such bottle conditioned beer  
12 may be sold under this section shall not exceed one hundred seventy  
13 ounces in capacity)).

14 (3) The board shall issue a restricted grocery store license  
15 authorizing the licensee to sell beer and only table wine, if the board  
16 finds upon issuance or renewal of the license that the sale of  
17 fortified wine would be against the public interest. In determining  
18 the public interest, the board shall consider at least the following  
19 factors:

20 (a) The likelihood that the applicant will sell fortified wine to  
21 persons who are intoxicated;

22 (b) Law enforcement problems in the vicinity of the applicant's  
23 establishment that may arise from persons purchasing fortified wine at  
24 the establishment; and

25 (c) Whether the sale of fortified wine would be detrimental to or  
26 inconsistent with a government-operated or funded alcohol treatment or  
27 detoxification program in the area.

28 If the board receives no evidence or objection that the sale of  
29 fortified wine would be against the public interest, it shall issue or  
30 renew the license without restriction, as applicable. The burden of  
31 establishing that the sale of fortified wine by the licensee would be  
32 against the public interest is on those persons objecting.

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

36 (5) Upon approval by the board, the grocery store licensee may also  
37 receive an endorsement to permit the international export of beer and  
38 wine.

1       (a) Any beer or wine sold under this endorsement must have been  
2 purchased from a licensed beer or wine distributor licensed to do  
3 business within the state of Washington.

4       (b) Any beer and wine sold under this endorsement must be intended  
5 for consumption outside the state of Washington and the United States  
6 and appropriate records must be maintained by the licensee.

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

9       (d) Any beer or wine sold under this license must be sold at a  
10 price no less than the acquisition price paid by the holder of the  
11 license.

12       (e) The annual cost of this endorsement is five hundred dollars and  
13 is in addition to the license fees paid by the licensee for a grocery  
14 store license.

15       NEW SECTION. Sec. 21. A new section is added to chapter 66.24 RCW  
16 to read as follows:

17       (1) There shall be a beer and/or wine retailer's license to be  
18 designated as a beer and/or wine specialty shop license to sell beer  
19 and/or wine at retail in bottles, cans, and original containers, not to  
20 be consumed upon the premises where sold, at any store other than the  
21 state liquor stores. Licensees obtaining a written endorsement from  
22 the board may also sell malt liquor in kegs or other containers capable  
23 of holding less than five and one-half gallons of liquid. The annual  
24 fee for the beer and/or wine specialty shop license is one hundred  
25 dollars for each store.

26       (2) Licensees under this section may provide, free or for a charge,  
27 single-serving samples of two ounces or less to customers for the  
28 purpose of sales promotion. Sampling activities of licensees under  
29 this section are subject to RCW 66.28.010 and 66.28.040 and the cost of  
30 sampling under this section may not be borne, directly or indirectly,  
31 by any manufacturer, importer, or distributor of liquor.

32       (3) The board shall issue a restricted beer and/or wine specialty  
33 shop license, authorizing the licensee to sell beer and only table  
34 wine, if the board finds upon issuance or renewal of the license that  
35 the sale of fortified wine would be against the public interest. In  
36 determining the public interest, the board shall consider at least the  
37 following factors:

1 (a) The likelihood that the applicant will sell fortified wine to  
2 persons who are intoxicated;

3 (b) Law enforcement problems in the vicinity of the applicant's  
4 establishment that may arise from persons purchasing fortified wine at  
5 the establishment; and

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

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

14 (4) Licensees holding a beer and/or wine specialty shop license  
15 must maintain a minimum three thousand dollar wholesale inventory of  
16 beer and/or wine.

17 **Sec. 22.** RCW 66.24.380 and 1988 c 200 s 2 are each amended to read  
18 as follows:

19 There shall be a (~~beer~~) retailer's license to be designated as  
20 (~~class G+~~) a special occasion license to be issued to a not-for-  
21 profit society or organization to sell spirits, beer, and wine by the  
22 individual serving for on-premises consumption at a specified event,  
23 such as at picnics or other special occasions, at a specified date and  
24 place; fee (~~thirty-five~~) sixty dollars per day.

25 (1) The not-for-profit society or organization is limited to sales  
26 of no more than twelve calendar days per year.

27 (2) The licensee may sell beer and/or wine in original, unopened  
28 containers for off-premises consumption if permission is obtained from  
29 the board prior to the event.

30 (3) Sale, service, and consumption of spirits, beer, and wine is to  
31 be confined to specified premises or designated areas only.

32 (4) Spirituous liquor sold under this special occasion license must  
33 be purchased at a state liquor store or agency without discount at  
34 retail prices, including all taxes.

35 (5) Any violation of this section is a class 1 civil infraction  
36 having a maximum penalty of two hundred fifty dollars as provided for  
37 in chapter 7.80 RCW.

1       **Sec. 23.** RCW 66.24.395 and 1981 1st ex.s. c 5 s 44 are each  
2 amended to read as follows:

3       (1)(a) There shall be a license that may be issued to corporations,  
4 associations, or persons operating as federally licensed commercial  
5 common passenger carriers engaged in interstate commerce, in or over  
6 territorial limits of the state of Washington on passenger trains,  
7 vessels, or airplanes. Such license shall permit the sale of  
8 spirituous liquor, wine, and beer at retail for passenger consumption  
9 within the state upon one such train passenger car, vessel, or  
10 airplane, while in or over the territorial limits of the state. Such  
11 license shall include the privilege of transporting into and storing  
12 within the state such liquor for subsequent retail sale to passengers  
13 in passenger train cars, vessels or airplanes. The fees for such  
14 master license shall be seven hundred fifty dollars per annum (class  
15 CCI-1): PROVIDED, That (~~where the sale and/or service of alcoholic~~  
16 ~~beverages by such federally licensed common passenger carrier does not~~  
17 ~~include spirituous liquor, the fee shall be two hundred fifty dollars~~  
18 ~~per annum (class CCI-2): PROVIDED, FURTHER, That~~) upon payment of an  
19 additional sum of five dollars per annum per car, or vessel, or  
20 airplane, the privileges authorized by such license classes shall  
21 extend to additional cars, or vessels, or airplanes operated by the  
22 same licensee within the state, and a duplicate license for each  
23 additional car, or vessel, or airplane shall be issued: PROVIDED,  
24 FURTHER, That such licensee may make such sales and/or service upon  
25 cars, or vessels, or airplanes in emergency for not more than five  
26 consecutive days without such license: AND PROVIDED, FURTHER, That  
27 such license shall be valid only while such cars, or vessels, or  
28 airplanes are actively operated as common carriers for hire in  
29 interstate commerce and not while they are out of such common carrier  
30 service.

31       (b) Alcoholic beverages sold and/or served for consumption by such  
32 interstate common carriers while within or over the territorial limits  
33 of this state shall be subject to such board markup and state liquor  
34 taxes in an amount to approximate the revenue that would have been  
35 realized from such markup and taxes had the alcoholic beverages been  
36 purchased in Washington: PROVIDED, That the board's markup shall be  
37 applied on spirituous liquor only. Such common carriers shall report  
38 such sales and/or service and pay such markup and taxes in accordance  
39 with procedures prescribed by the board.



1       (2) (~~Where such an interstate federally licensed common carrier~~  
2 ~~does not sell spirituous liquor, wine, or beer at retail for passenger~~  
3 ~~consumption while within or over the territorial limits of this state,~~  
4 ~~but the business operation of the interstate common carrier requires~~  
5 ~~the bringing in and storing of liquor within the state the license fee~~  
6 ~~shall be five hundred dollars per annum (class CCI-3): PROVIDED, That~~  
7 ~~where such transporting and/or storage of alcoholic beverages by such~~  
8 ~~common carrier does not include spirituous liquor, the license fee~~  
9 ~~shall be one hundred twenty five dollars per annum (class CCI-4).~~

10       (3)) Alcoholic beverages sold and delivered in this state to  
11 interstate common carriers for use under the provisions of this section  
12 shall be considered exported from the state, subject to the conditions  
13 provided in subsection (1)(b) of this section. The storage facilities  
14 for liquor within the state by common carriers licensed under this  
15 section shall be subject to written approval by the board.

16       **Sec. 24.** RCW 66.24.400 and 1987 c 196 s 1 are each amended to read  
17 as follows:

18       There shall be a retailer's license, to be known and designated as  
19 (~~class H~~) a full service restaurant license, to sell spirituous  
20 liquor by the individual glass, beer, and wine, at retail, for  
21 consumption on the premises, including mixed drinks and cocktails  
22 compounded or mixed on the premises only: PROVIDED, That a hotel, or  
23 club licensed under chapter 70.62 RCW with overnight sleeping  
24 accommodations, that is licensed under this section may sell liquor by  
25 the bottle to registered guests of the hotel or club for consumption in  
26 guest rooms, hospitality rooms, or at banquets in the hotel or club:  
27 PROVIDED FURTHER, That a patron of a bona fide hotel, restaurant, or  
28 club licensed under this section may remove from the premises recorked  
29 or recapped in its original container any portion of wine which was  
30 purchased for consumption with a meal, and registered guests who have  
31 purchased liquor from the hotel or club by the bottle may remove from  
32 the premises any unused portion of such liquor in its original  
33 container. Such (~~class H~~) license may be issued only to bona fide  
34 restaurants, hotels and clubs, and to dining, club and buffet cars on  
35 passenger trains, and to dining places on passenger boats and  
36 airplanes, and to dining places at (~~publicly owned~~) civic centers  
37 with facilities for sports, entertainment, and conventions, and to such  
38 other establishments operated and maintained primarily for the benefit

1 of tourists, vacationers and travelers as the board shall determine are  
2 qualified to have, and in the discretion of the board should have, a  
3 ~~((class H))~~ full service restaurant license under the provisions and  
4 limitations of this title.

5 **Sec. 25.** RCW 66.24.420 and 1996 c 218 s 4 are each amended to read  
6 as follows:

7 (1) The ~~((class H))~~ full service restaurant license shall be issued  
8 in accordance with the following schedule of annual fees:

9 (a) ~~((The annual fee for said license, if issued to a club, whether  
10 inside or outside of incorporated cities and towns, shall be seven  
11 hundred dollars.~~

12 ~~((b))~~) The annual fee for ~~((said))~~ a full service restaurant  
13 license~~((, if issued to any other class H licensee in incorporated  
14 cities and towns,))~~ shall be graduated according to the ~~((population  
15 thereof))~~ dedicated dining area and type of service provided as  
16 follows:

| <del>((Incorporated<br/>17 Cities and towns</del> | <del>_____ Fees</del>      |
|---|----------------------------|
| <del>Less than 20,000</del>                       | <del>_____ \$1,200</del>   |
| <del>20,000 or over</del>                         | <del>_____ \$2,000))</del> |
| <u>Less than 50% dedicated dining area</u>        | <u>\$2,000</u>             |
| <u>50% or more dedicated dining area</u>          | <u>\$1,600</u>             |
| <u>Service bar only</u>                           | <u>\$1,000</u>             |

24 ~~((c))~~) (b) The annual fee for said license when issued to any  
25 other ~~((class H))~~ full service restaurant licensee outside of  
26 incorporated cities and towns shall be~~((: Two thousand dollars; this  
27 fee shall be))~~ prorated according to the calendar quarters, or portion  
28 thereof, during which the licensee is open for business, except in case  
29 of suspension or revocation of the license.

30 ~~((d))~~) (c) Where the license shall be issued to any corporation,  
31 association or person operating a bona fide restaurant in an airport  
32 terminal facility providing service to transient passengers with more  
33 than one place where liquor is to be dispensed and sold, such license  
34 shall be issued upon the payment of the annual fee, which shall be a  
35 master license and shall permit such sale within and from one such  
36 place. Such license may be extended to additional places on the  
37 premises at the discretion of the board and a duplicate license may be

1 issued for each such additional place: PROVIDED, That the holder of a  
2 master license for a restaurant in an airport terminal facility shall  
3 be required to maintain in a substantial manner at least one place on  
4 the premises for preparing, cooking, and serving of complete meals, and  
5 such food service shall be available on request in other licensed  
6 places on the premises: PROVIDED, FURTHER, That an additional license  
7 fee of twenty-five percent of the annual master license fee shall be  
8 required for such duplicate licenses.

9 ((+e)) (d) Where the license shall be issued to any corporation,  
10 association, or person operating dining places at a publicly or  
11 privately owned civic or convention center with facilities for sports,  
12 entertainment, or conventions, or a combination thereof, with more than  
13 one place where liquor is to be dispensed and sold, such license shall  
14 be issued upon the payment of the annual fee, which shall be a master  
15 license and shall permit such sale within and from one such place.  
16 Such license may be extended to additional places on the premises at  
17 the discretion of the board and a duplicate license may be issued for  
18 each such additional place: PROVIDED, That the holder of a master  
19 license for a dining place at such a publicly or privately owned civic  
20 or convention center shall be required to maintain in a substantial  
21 manner at least one place on the premises for preparing, cooking, and  
22 serving of complete meals, and food service shall be available on  
23 request in other licensed places on the premises: PROVIDED FURTHER,  
24 That an additional license fee of ten dollars shall be required for  
25 such duplicate licenses.

26 ((+f)) (e) Where the license shall be issued to any corporation,  
27 association or person operating more than one building containing  
28 dining places at privately owned facilities which are open to the  
29 public and where there is a continuity of ownership of all adjacent  
30 property, such license shall be issued upon the payment of an annual  
31 fee which shall be a master license and shall permit such sale within  
32 and from one such place. Such license may be extended to the  
33 additional dining places on the property or, in the case of a ((class  
34 H)) full service restaurant licensed hotel, property owned or  
35 controlled by leasehold interest by that hotel for use as a conference  
36 or convention center or banquet facility open to the general public for  
37 special events in the same metropolitan area, at the discretion of the  
38 board and a duplicate license may be issued for each additional place:  
39 PROVIDED, That the holder of the master license for the dining place

1 shall not offer alcoholic beverages for sale, service, and consumption  
2 at the additional place unless food service is available at both the  
3 location of the master license and the duplicate license: PROVIDED  
4 FURTHER, That an additional license fee of twenty dollars shall be  
5 required for such duplicate licenses.

6 (2) The board, so far as in its judgment is reasonably possible,  
7 shall confine ~~((class-H))~~ full service restaurant licenses to the  
8 business districts of cities and towns and other communities, and not  
9 grant such licenses in residential districts, nor within the immediate  
10 vicinity of schools, without being limited in the administration of  
11 this subsection to any specific distance requirements.

12 (3) The board shall have discretion to issue ~~((class-H))~~ full  
13 service restaurant licenses outside of cities and towns in the state of  
14 Washington. The purpose of this subsection is to enable the board, in  
15 its discretion, to license in areas outside of cities and towns and  
16 other communities, establishments which are operated and maintained  
17 primarily for the benefit of tourists, vacationers and travelers, and  
18 also golf and country clubs, and common carriers operating dining, club  
19 and buffet cars, or boats.

20 (4) The total number of ~~((class-H))~~ full service restaurant  
21 licenses issued in the state of Washington by the board, not including  
22 ~~((those class-H))~~ full service private club licenses ~~((issued to~~  
23 ~~clubs))~~, shall not in the aggregate at any time exceed one license for  
24 each fifteen hundred of population in the state, determined according  
25 to the yearly population determination developed by the office of  
26 financial management pursuant to RCW 43.62.030.

27 (5) Notwithstanding the provisions of subsection (4) of this  
28 section, the board shall refuse a ~~((class-H))~~ full service restaurant  
29 license to any applicant if in the opinion of the board the ~~((class-H))~~  
30 full service restaurant licenses already granted for the particular  
31 locality are adequate for the reasonable needs of the community.

32 (6) The board may issue a caterer's endorsement to this license to  
33 allow the licensee to remove the liquor stocks at the licensed  
34 premises, for use as liquor for sale and service at special occasion  
35 locations at a specified date and place not currently licensed by the  
36 board. The privilege of selling and serving liquor under such  
37 endorsement is limited to members and guests of a society or  
38 organization as defined in RCW 66.24.375. Cost of the endorsement is  
39 three hundred fifty dollars.

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

7       (b) If attendance at the function will be limited to members and  
8 invited guests of the sponsoring society or organization, the  
9 requirement that the society or organization be within the definition  
10 of RCW 66.24.375 is waived.

11       **Sec. 26.** RCW 66.24.425 and 1982 c 85 s 3 are each amended to read  
12 as follows:

13       (1) The board may, in its discretion, issue a ~~((class-H))~~ full  
14 service restaurant license to a business which qualifies as a  
15 "restaurant" as that term is defined in RCW 66.24.410 in all respects  
16 except that the business does not serve the general public but, through  
17 membership qualification, selectively restricts admission to the  
18 business. For purposes of RCW 66.24.400 and 66.24.420, all licenses  
19 issued under this section shall be considered ~~((class-H))~~ full service  
20 restaurant licenses and shall be subject to all requirements, fees, and  
21 qualifications in this title, or in rules adopted by the board, as are  
22 applicable to ~~((class-H))~~ full service restaurant licenses generally  
23 except that no service to the general public may be required.

24       (2) No license shall be issued under this section to a business:

25       (a) Which shall not have been in continuous operation for at least  
26 one year immediately prior to the date of its application; or

27       (b) Which denies membership or admission to any person because of  
28 race, creed, color, national origin, sex, or the presence of any  
29 sensory, mental, or physical handicap.

30       **Sec. 27.** RCW 66.24.440 and 1949 c 5 s 5 are each amended to read  
31 as follows:

32       Each ~~((class-H))~~ full service restaurant, full service private  
33 club, and sports entertainment facility licensee shall be entitled to  
34 purchase any spirituous liquor items salable under such ~~((class-H))~~  
35 license from the board at a discount of not less than fifteen percent  
36 from the retail price fixed by the board, together with all taxes.

1       **Sec. 28.** RCW 66.24.450 and 1981 1st ex.s. c 5 s 18 are each  
2 amended to read as follows:

3       (1) No club shall be entitled to a ~~((class H))~~ full service private  
4 club license:

5       ~~((1))~~ (a) Unless such private club has been in continuous  
6 operation for at least one year immediately prior to the date of its  
7 application for such license;

8       ~~((2))~~ (b) Unless the private club premises be constructed and  
9 equipped, conducted, managed, and operated to the satisfaction of the  
10 board and in accordance with this title and the regulations made  
11 thereunder;

12       ~~((3))~~ (c) Unless the board shall have determined pursuant to any  
13 regulations made by it with respect to private clubs, that such private  
14 club is a bona fide private club; it being the intent of this section  
15 that license shall not be granted to a club which is, or has been,  
16 primarily formed or activated to obtain a license to sell liquor, but  
17 solely to a bona fide private club, where the sale of liquor is  
18 incidental to the main purposes of the private club, as defined in RCW  
19 66.04.010~~((5))~~ (6).

20       (2) The annual fee for a full service private club license, whether  
21 inside or outside of an incorporated city or town, is seven hundred  
22 twenty dollars per year.

23       NEW SECTION. **Sec. 29.** A new section is added to chapter 66.24 RCW  
24 to read as follows:

25       (1) There shall be a beer and wine license to be issued to a  
26 private club for sale of beer and wine for on-premises consumption.

27       (2) Beer and wine sold by the licensee may be on tap or by open  
28 bottles or cans.

29       (3) The fee for the private club beer and wine license is one  
30 hundred eighty dollars per year.

31       **Sec. 30.** RCW 66.24.455 and 1994 c 201 s 2 are each amended to read  
32 as follows:

33       Subject to approval by the board, holders of ~~((class A, B, C, D, or~~  
34 ~~H))~~ beer and wine restaurant, tavern, snack bar, full service  
35 restaurant, full service private club, or beer and wine private club  
36 licenses may extend their premises for the sale, service, and  
37 consumption of liquor authorized under their respective licenses to the

1   concourse or lane areas in a bowling establishment where the concourse  
2   or lane areas are adjacent to the food preparation service facility.

3       **Sec. 31.** RCW 66.24.495 and 1981 c 142 s 1 are each amended to read  
4 as follows:

5       (1) There shall be a (~~retailer's~~) license to be designated as  
6 (~~class-B~~) a nonprofit arts organization license. This shall be a  
7 special license to be issued to any nonprofit arts organization which  
8 sponsors and presents productions or performances of an artistic or  
9 cultural nature in a specific theater or other appropriate designated  
10 indoor premises approved by the board. The license shall permit the  
11 licensee to sell liquor to patrons of productions or performances for  
12 consumption on the premises at these events. The fee for the license  
13 shall be two hundred fifty dollars per annum.

14       (2) For the purposes of this section, the term "nonprofit arts  
15 organization" means an organization which is organized and operated for  
16 the purpose of providing artistic or cultural exhibitions,  
17 presentations, or performances or cultural or art education programs,  
18 as defined in subsection (3) of this section, for viewing or attendance  
19 by the general public. The organization must be a not-for-profit  
20 corporation under chapter 24.03 RCW and managed by a governing board of  
21 not less than eight individuals none of whom is a paid employee of the  
22 organization or by a corporation sole under chapter 24.12 RCW. In  
23 addition, the corporation must satisfy the following conditions:

24       (a) No part of its income may be paid directly or indirectly to its  
25 members, stockholders, officers, directors, or trustees except in the  
26 form of services rendered by the corporation in accordance with its  
27 purposes and bylaws;

28       (b) Salary or compensation paid to its officers and executives must  
29 be only for actual services rendered, and at levels comparable to the  
30 salary or compensation of like positions within the state;

31       (c) Assets of the corporation must be irrevocably dedicated to the  
32 activities for which the license is granted and, on the liquidation,  
33 dissolution, or abandonment by the corporation, may not inure directly  
34 or indirectly to the benefit of any member or individual except a  
35 nonprofit organization, association, or corporation;

36       (d) The corporation must be duly licensed or certified when  
37 licensing or certification is required by law or regulation;

1 (e) The proceeds derived from sales of liquor, except for  
2 reasonable operating costs, must be used in furtherance of the purposes  
3 of the organization;

4 (f) Services must be available regardless of race, color, national  
5 origin, or ancestry; and

6 (g) The liquor control board shall have access to its books in  
7 order to determine whether the corporation is entitled to a license.

8 (3) The term "artistic or cultural exhibitions, presentations, or  
9 performances or cultural or art education programs" includes and is  
10 limited to:

11 (a) An exhibition or presentation of works of art or objects of  
12 cultural or historical significance, such as those commonly displayed  
13 in art or history museums;

14 (b) A musical or dramatic performance or series of performances; or

15 (c) An educational seminar or program, or series of such programs,  
16 offered by the organization to the general public on an artistic,  
17 cultural, or historical subject.

18 **Sec. 32.** RCW 66.24.540 and 1993 c 511 s 1 are each amended to read  
19 as follows:

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



1 method of identification to travelers and transient guests. As used in  
2 this section, "spirits," "beer," and "wine" have the meanings defined  
3 in RCW 66.04.010.

4 **Sec. 33.** RCW 66.24.550 and 1989 c 149 s 1 are each amended to read  
5 as follows:

6 There shall be a beer and wine retailer's license to be designated  
7 as ~~((class P))~~ a beer and wine gift delivery license to solicit, take  
8 orders for, sell, and deliver beer and/or wine in bottles and original  
9 packages to persons other than the person placing the order. A ~~((class~~  
10 ~~P))~~ beer and wine gift delivery license may be issued only to a  
11 business solely engaged in the sale or sale and delivery of gifts at  
12 retail which holds no other class of license under this title or to a  
13 person in the business of selling flowers or floral arrangements at  
14 retail. No minimum beer and/or wine inventory requirement shall apply  
15 to holders of ~~((class P))~~ beer and wine gift delivery licenses. The  
16 fee for this license is seventy-five dollars per year. Delivery of  
17 beer and/or wine under ~~((a class P))~~ a beer and wine gift delivery  
18 license shall be made in accordance with all applicable provisions of  
19 this title and the rules of the board, and no beer and/or wine so  
20 delivered shall be opened on any premises licensed under this title.  
21 A ~~((class P))~~ beer and wine gift delivery license does not authorize  
22 door-to-door solicitation of gift wine delivery orders. Deliveries of  
23 beer and/or wine under a ~~((class P))~~ beer and wine gift delivery  
24 license shall be made only in conjunction with gifts or flowers.

25 **Sec. 34.** RCW 66.24.570 and 1996 c 218 s 1 are each amended to read  
26 as follows:

27 (1) There is a license for sports entertainment facilities to be  
28 designated as a ~~((class R))~~ sports/entertainment facility license to  
29 sell beer, wine, and spirits at retail, for consumption upon the  
30 premises only, the license to be issued to the entity providing food  
31 and beverage service at a sports entertainment facility as defined in  
32 this section. The cost of the license is two thousand five hundred  
33 dollars per annum.

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

1 (3) The board may impose reasonable requirements upon a licensee  
2 under this section, such as requirements for the availability of food  
3 and victuals including but not limited to hamburgers, sandwiches,  
4 salads, or other snack food. The board may also restrict the type of  
5 events at a sports entertainment facility at which beer, wine, and  
6 spirits may be served. When imposing conditions for a licensee, the  
7 board must consider the seating accommodations, eating facilities, and  
8 circulation patterns in such a facility, and other amenities available  
9 at a sports entertainment facility.

10 **Sec. 35.** RCW 66.04.010 and 1991 c 192 s 1 are each amended to read  
11 as follows:

12 In this title, unless the context otherwise requires:

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

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

24 (3) "Beer distributor" means a person who buys beer from a brewer  
25 or brewery located either within or beyond the boundaries of the state  
26 for the purpose of selling the same pursuant to this title, or who  
27 represents such brewer or brewery as agent.

28 (4) "Brewer" means any person engaged in the business of  
29 manufacturing beer and malt liquor.

30 ((+4)) (5) "Board" means the liquor control board, constituted  
31 under this title.

32 ((+5)) (6) "Club" means an organization of persons, incorporated  
33 or unincorporated, operated solely for fraternal, benevolent,  
34 educational, athletic or social purposes, and not for pecuniary gain.

35 ((+6)) (7) "Consume" includes the putting of liquor to any use,  
36 whether by drinking or otherwise.

1       ~~((7))~~ (8) "Dentist" means a practitioner of dentistry duly and  
2 regularly licensed and engaged in the practice of his profession within  
3 the state pursuant to chapter 18.32 RCW.

4       ~~((8))~~ (9) "Distiller" means a person engaged in the business of  
5 distilling spirits.

6       ~~((9))~~ (10) "Domestic winery" means a place where wines are  
7 manufactured or produced within the state of Washington.

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

12       ~~((10))~~ (12) "Drug store" means a place whose principal business  
13 is, the sale of drugs, medicines and pharmaceutical preparations and  
14 maintains a regular prescription department and employs a registered  
15 pharmacist during all hours the drug store is open.

16       ~~((11))~~ (13) "Employee" means any person employed by the board,  
17 including a vendor, as hereinafter in this section defined.

18       ~~((12))~~ (14) "Fund" means 'liquor revolving fund.'

19       ~~((13))~~ (15) "Hotel" means every building or other structure kept,  
20 used, maintained, advertised or held out to the public to be a place  
21 where food is served and sleeping accommodations are offered for pay to  
22 transient guests, in which twenty or more rooms are used for the  
23 sleeping accommodation of such transient guests and having one or more  
24 dining rooms where meals are served to such transient guests, such  
25 sleeping accommodations and dining rooms being conducted in the same  
26 building and buildings, in connection therewith, and such structure or  
27 structures being provided, in the judgment of the board, with adequate  
28 and sanitary kitchen and dining room equipment and capacity, for  
29 preparing, cooking and serving suitable food for its guests: PROVIDED  
30 FURTHER, That in cities and towns of less than five thousand  
31 population, the board shall have authority to waive the provisions  
32 requiring twenty or more rooms.

33       ~~((14))~~ (16) "Importer" means a person who buys distilled spirits  
34 from a distillery outside the state of Washington and imports such  
35 spirituous liquor into the state for sale to the board or for export.

36       (17) "Imprisonment" means confinement in the county jail.

37       ~~((15))~~ (18) "Liquor" includes the four varieties of liquor herein  
38 defined (alcohol, spirits, wine and beer), and all fermented,  
39 spirituous, vinous, or malt liquor, or combinations thereof, and mixed

1 liquor, a part of which is fermented, spirituous, vinous or malt  
2 liquor, or otherwise intoxicating; and every liquid or solid or  
3 semisolid or other substance, patented or not, containing alcohol,  
4 spirits, wine or beer, and all drinks or drinkable liquids and all  
5 preparations or mixtures capable of human consumption, and any liquid,  
6 semisolid, solid, or other substance, which contains more than one  
7 percent of alcohol by weight shall be conclusively deemed to be  
8 intoxicating. Liquor does not include confections or food products  
9 that contain one percent or less of alcohol by weight.

10 ~~((16))~~ (19) "Manufacturer" means a person engaged in the  
11 preparation of liquor for sale, in any form whatsoever.

12 ~~((17))~~ (20) "Malt beverage" or "malt liquor" means any beverage  
13 such as beer, ale, lager beer, stout, and porter obtained by the  
14 alcoholic fermentation of an infusion or decoction of pure hops, or  
15 pure extract of hops and pure barley malt or other wholesome grain or  
16 cereal in pure water containing not more than eight percent of alcohol  
17 by weight, and not less than one-half of one percent of alcohol by  
18 volume. For the purposes of this title, any such beverage containing  
19 more than eight percent of alcohol by weight shall be referred to as  
20 "strong beer."

21 ~~((18))~~ (21) "Package" means any container or receptacle used for  
22 holding liquor.

23 ~~((19))~~ (22) "Permit" means a permit for the purchase of liquor  
24 under this title.

25 ~~((20))~~ (23) "Person" means an individual, copartnership,  
26 association, or corporation.

27 ~~((21))~~ (24) "Physician" means a medical practitioner duly and  
28 regularly licensed and engaged in the practice of his profession within  
29 the state pursuant to chapter 18.71 RCW.

30 ~~((22))~~ (25) "Prescription" means a memorandum signed by a  
31 physician and given by him to a patient for the obtaining of liquor  
32 pursuant to this title for medicinal purposes.

33 ~~((23))~~ (26) "Public place" includes streets and alleys of  
34 incorporated cities and towns; state or county or township highways or  
35 roads; buildings and grounds used for school purposes; public dance  
36 halls and grounds adjacent thereto; those parts of establishments where  
37 beer may be sold under this title, soft drink establishments, public  
38 buildings, public meeting halls, lobbies, halls and dining rooms of  
39 hotels, restaurants, theatres, stores, garages and filling stations

1 which are open to and are generally used by the public and to which the  
2 public is permitted to have unrestricted access; railroad trains,  
3 stages, and other public conveyances of all kinds and character, and  
4 the depots and waiting rooms used in conjunction therewith which are  
5 open to unrestricted use and access by the public; publicly owned  
6 bathing beaches, parks, and/or playgrounds; and all other places of  
7 like or similar nature to which the general public has unrestricted  
8 right of access, and which are generally used by the public.

9 ~~((24))~~ (27) "Regulations" means regulations made by the board  
10 under the powers conferred by this title.

11 ~~((25))~~ (28) "Restaurant" means any establishment provided with  
12 special space and accommodations where, in consideration of payment,  
13 food, without lodgings, is habitually furnished to the public, not  
14 including drug stores and soda fountains.

15 ~~((26))~~ (29) "Sale" and "sell" include exchange, barter, and  
16 traffic; and also include the selling or supplying or distributing, by  
17 any means whatsoever, of liquor, or of any liquid known or described as  
18 beer or by any name whatever commonly used to describe malt or brewed  
19 liquor or of wine, by any person to any person; and also include a sale  
20 or selling within the state to a foreign consignee or his agent in the  
21 state. "Sale" and "sell" shall not include the giving, at no charge,  
22 of a reasonable amount of liquor by a person not licensed by the board  
23 to a person not licensed by the board, for personal use only. "Sale"  
24 and "sell" also does not include a raffle authorized under RCW  
25 9.46.0315: PROVIDED, That the nonprofit organization conducting the  
26 raffle has obtained the appropriate permit from the board.

27 ~~((27))~~ (30) "Soda fountain" means a place especially equipped  
28 with apparatus for the purpose of dispensing soft drinks, whether mixed  
29 or otherwise.

30 ~~((28))~~ (31) "Spirits" means any beverage which contains alcohol  
31 obtained by distillation, including wines exceeding twenty-four percent  
32 of alcohol by volume.

33 ~~((29))~~ (32) "Store" means a state liquor store established under  
34 this title.

35 ~~((30))~~ (33) "Tavern" means any establishment with special space  
36 and accommodation for sale by the glass and for consumption on the  
37 premises, of beer, as herein defined.

38 ~~((31))~~ (34) "Vendor" means a person employed by the board as a  
39 store manager under this title.

1       (~~(32)~~) (35) "Winery" means a business conducted by any person for  
2 the manufacture of wine for sale, other than a domestic winery.

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

5       (~~(34)~~) (36) "Wine" means any alcoholic beverage obtained by  
6 fermentation of fruits (grapes, berries, apples, et cetera) or other  
7 agricultural product containing sugar, to which any saccharine  
8 substances may have been added before, during or after fermentation,  
9 and containing not more than twenty-four percent of alcohol by volume,  
10 including sweet wines fortified with wine spirits, such as port,  
11 sherry, muscatel and angelica, not exceeding twenty-four percent of  
12 alcohol by volume and not less than one-half of one percent of alcohol  
13 by volume. For purposes of this title, any beverage containing no more  
14 than fourteen percent of alcohol by volume when bottled or packaged by  
15 the manufacturer shall be referred to as "table wine," and any beverage  
16 containing alcohol in an amount more than fourteen percent by volume  
17 when bottled or packaged by the manufacturer shall be referred to as  
18 "fortified wine." However, "fortified wine" shall not include: (a)  
19 Wines that are both sealed or capped by cork closure and aged two years  
20 or more; and (b) wines that contain more than fourteen percent alcohol  
21 by volume solely as a result of the natural fermentation process and  
22 that have not been produced with the addition of wine spirits, brandy,  
23 or alcohol.

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

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

30       (~~(36)~~) (37) "Wine (~~wholesaler~~) distributor" means a person who  
31 buys wine from a vintner or winery located either within or beyond the  
32 boundaries of the state for the purpose of selling the same not in  
33 violation of this title, or who represents such vintner or winery as  
34 agent.

35       **Sec. 36.** RCW 66.28.200 and 1993 c 21 s 2 are each amended to read  
36 as follows:

37       Licensees holding a (~~class A or B~~) beer and wine restaurant or a  
38 tavern license (~~(in combination with a class E license)~~) may sell malt

1 liquor in kegs or other containers capable of holding four gallons or  
2 more of liquid. Under a special endorsement from the board, a grocery  
3 store licensee may sell malt liquor in containers no larger than five  
4 and one-half gallons. The sale of any container holding four gallons  
5 or more must comply with the provisions of this section and RCW  
6 66.28.210 through 66.28.240. Any person who sells or offers for sale  
7 the contents of kegs or other containers containing four gallons or  
8 more of malt liquor, or leases kegs or other containers that will hold  
9 four gallons of malt liquor, to consumers who are not licensed under  
10 chapter 66.24 RCW shall do the following for any transaction involving  
11 the container:

12 (1) Require the purchaser of the malt liquor to sign a declaration  
13 and receipt for the keg or other container or beverage in substantially  
14 the form provided in RCW 66.28.220;

15 (2) Require the purchaser to provide one piece of identification  
16 pursuant to RCW 66.16.040;

17 (3) Require the purchaser to sign a sworn statement, under penalty  
18 of perjury, that:

19 (a) The purchaser is of legal age to purchase, possess, or use malt  
20 liquor;

21 (b) The purchaser will not allow any person under the age of  
22 twenty-one years to consume the beverage except as provided by RCW  
23 66.44.270;

24 (c) The purchaser will not remove, obliterate, or allow to be  
25 removed or obliterated, the identification required under RCW 66.28.220  
26 to be affixed to the container;

27 (4) Require the purchaser to state the particular address where the  
28 malt liquor will be consumed, or the particular address where the keg  
29 or other container will be physically located; and

30 (5) Require the purchaser to maintain a copy of the declaration and  
31 receipt next to or adjacent to the keg or other container, in no event  
32 a distance greater than five feet, and visible without a physical  
33 barrier from the keg, during the time that the keg or other container  
34 is in the purchaser's possession or control.

35 **Sec. 37.** RCW 66.24.210 and 1996 c 118 s 1 are each amended to read  
36 as follows:

37 (1) There is hereby imposed upon all wines except cider sold to  
38 wine (~~wholesalers~~) distributors and the Washington state liquor

1 control board, within the state a tax at the rate of twenty and one-  
2 fourth cents per liter and there is hereby imposed on all cider sold to  
3 wine (~~wholesalers~~) distributors and the Washington state liquor  
4 control board within the state a tax at the rate of three and fifty-  
5 nine one-hundredths cents per liter: PROVIDED, HOWEVER, That wine sold  
6 or shipped in bulk from one winery to another winery shall not be  
7 subject to such tax. The tax provided for in this section shall be  
8 collected by direct payments based on wine purchased by wine  
9 (~~wholesalers~~) distributors. Every person purchasing wine under the  
10 provisions of this section shall on or before the twentieth day of each  
11 month report to the board all purchases during the preceding calendar  
12 month in such manner and upon such forms as may be prescribed by the  
13 board, and with such report shall pay the tax due from the purchases  
14 covered by such report unless the same has previously been paid. Any  
15 such purchaser of wine whose applicable tax payment is not postmarked  
16 by the twentieth day following the month of purchase will be assessed  
17 a penalty at the rate of two percent a month or fraction thereof. The  
18 board may require that every such person shall execute to and file with  
19 the board a bond to be approved by the board, in such amount as the  
20 board may fix, securing the payment of the tax. If any such person  
21 fails to pay the tax when due, the board may forthwith suspend or  
22 cancel the license until all taxes are paid.

23 (2) An additional tax is imposed equal to the rate specified in RCW  
24 82.02.030 multiplied by the tax payable under subsection (1) of this  
25 section. All revenues collected during any month from this additional  
26 tax shall be transferred to the state general fund by the twenty-fifth  
27 day of the following month.

28 (3) An additional tax is imposed on wines subject to tax under  
29 subsection (1) of this section, at the rate of one-fourth of one cent  
30 per liter for wine sold after June 30, 1987. After June 30, 1996, such  
31 additional tax does not apply to cider. An additional tax of five one-  
32 hundredths of one cent per liter is imposed on cider sold after June  
33 30, 1996. The additional taxes imposed by this subsection (3) shall  
34 cease to be imposed on July 1, 2001. All revenues collected under this  
35 subsection (3) shall be disbursed quarterly to the Washington wine  
36 commission for use in carrying out the purposes of chapter 15.88 RCW.

37 (4) An additional tax is imposed on all wine subject to tax under  
38 subsection (1) of this section. The additional tax is equal to twenty-  
39 three and forty-four one-hundredths cents per liter on fortified wine



1 as defined in RCW 66.04.010(~~(+34+)~~) (36) when bottled or packaged by  
2 the manufacturer, one cent per liter on all other wine except cider,  
3 and eighteen one-hundredths of one cent per liter on cider. All  
4 revenues collected during any month from this additional tax shall be  
5 deposited in the violence reduction and drug enforcement account under  
6 RCW 69.50.520 by the twenty-fifth day of the following month.

7 (5)(a) An additional tax is imposed on all cider subject to tax  
8 under subsection (1) of this section. The additional tax is equal to  
9 two and four one-hundredths cents per liter of cider sold after June  
10 30, 1996, and before July 1, 1997, and is equal to four and seven one-  
11 hundredths cents per liter of cider sold after June 30, 1997.

12 (b) All revenues collected from the additional tax imposed under  
13 this subsection (5) shall be deposited in the health services account  
14 under RCW 43.72.900.

15 (6) For the purposes of this section, "cider" means table wine that  
16 contains not less than one-half of one percent of alcohol by volume and  
17 not more than seven percent of alcohol by volume and is made from the  
18 normal alcoholic fermentation of the juice of sound, ripe apples or  
19 pears. "Cider" includes, but is not limited to, flavored, sparkling,  
20 or carbonated cider and cider made from condensed apple or pear must.

21 **Sec. 38.** RCW 15.88.030 and 1988 c 254 s 12 are each amended to  
22 read as follows:

23 (1) There is created an agricultural commodity commission to be  
24 known and designated as the Washington wine commission. Except as  
25 provided in RCW 15.88.100(2), the commission shall be composed of  
26 eleven voting members; five voting members shall be growers, five  
27 voting members shall be wine producers, and one voting member shall be  
28 a wine (~~wholesaler~~) distributor licensed under RCW 66.24.200. Of the  
29 grower members, at least one shall be a person who does not have over  
30 fifty acres of vinifera grapes in production, at least one shall be a  
31 person who has over one hundred acres of vinifera grapes in production,  
32 and two may be persons who produce and sell their own wine. Of the  
33 wine producer members, at least one shall be a person producing not  
34 more than twenty-five thousand gallons of wine annually, at least one  
35 shall be a person producing over one million gallons of wine annually,  
36 and at least two shall be persons who produce wine from their own  
37 grapes. In addition, at least one member shall be a wine producer

1 located in western Washington and at least two members shall be wine  
2 producers located in eastern Washington.

3 (2) In addition to the voting members identified in subsection (1)  
4 of this section, the commission shall have one nonvoting member who is  
5 a wine producer in this state whose principal wine or wines are  
6 produced from fruit other than vinifera grapes. The director of  
7 agriculture, or the director's designee, shall serve as an ex officio,  
8 nonvoting member.

9 (3) Except as provided in RCW 15.88.100(2), seven voting members of  
10 the commission constitute a quorum for the transaction of any business  
11 of the commission.

12 (4) Each voting member of the commission shall be a citizen and  
13 resident of this state and over the age of twenty-one years. Each  
14 voting member, except the member holding position eleven, must be or  
15 must have been engaged in that phase of the grower or wine producer  
16 industry that he or she is appointed to represent, and must during his  
17 or her term of office derive a substantial portion of income therefrom,  
18 or have a substantial investment in the growing of vinifera grapes or  
19 the production of wine from vinifera grapes as an owner, lessee,  
20 partner, or a stockholder owning at least ten percent of the voting  
21 stock in a corporation engaged in the growing of vinifera grapes or  
22 wine production from vinifera grapes; or the manager or executive  
23 officer of such a corporation. These qualifications apply throughout  
24 each member's term of office.

25 **Sec. 39.** RCW 19.126.020 and 1984 c 169 s 2 are each amended to  
26 read as follows:

27 The definitions set forth in this section apply throughout this  
28 chapter unless the context clearly requires otherwise.

29 (1) "Agreement of distributorship" means any contract, agreement,  
30 commercial relationship, license, association, or any other  
31 arrangement, for a definite or indefinite period, between a supplier  
32 and (~~wholesale~~) distributor.

33 (2) "~~Wholesale~~) Distributor" means any person, including but not  
34 limited to a component of a supplier's distribution system constituted  
35 as an independent business, importing or causing to be imported into  
36 this state, or purchasing or causing to be purchased within this state,  
37 any malt beverage or wine for sale or resale to retailers licensed  
38 under the laws of this state, regardless of whether the business of

1 such person is conducted under the terms of any agreement with a malt  
2 beverage or wine manufacturer.

3 (3) "Supplier" means any malt beverage or wine manufacturer ((~~or~~  
4 ~~importer~~)) who enters into or is a party to any agreement of  
5 distributorship with a wholesale distributor. "Supplier" does not  
6 include: (a) Any domestic winery licensed pursuant to RCW 66.24.170;  
7 (b) any winery or manufacturer of wine producing less than three  
8 hundred thousand gallons of wine annually and holding a certificate of  
9 approval issued pursuant to RCW 66.24.206; (c) any domestic brewer or  
10 microbrewer licensed under RCW 66.24.240 and producing less than fifty  
11 thousand barrels of malt liquor annually; or (d) any brewer or  
12 manufacturer of malt liquor producing less than fifty thousand barrels  
13 of malt liquor annually and holding a certificate of approval issued  
14 under RCW 66.24.270.

15 (4) "Malt beverage manufacturer" means every brewer, fermenter,  
16 processor, bottler, or packager of malt beverages located within or  
17 outside this state, or any other person, whether located within or  
18 outside this state, who enters into an agreement of distributorship for  
19 the resale of malt beverages in this state with any wholesale  
20 distributor doing business in the state of Washington.

21 (5) "Wine manufacturer" means every winery, processor, bottler, or  
22 packager of wine located within or outside this state, or any other  
23 person, whether located within or outside this state who enters into an  
24 agreement of distributorship for the resale of wine in this state with  
25 any wine wholesale distributor doing business in the state of  
26 Washington.

27 (6) "Importer" means any ((~~wholesale~~)) distributor importing beer  
28 or wine into this state for sale to retailer accounts or for sale to  
29 other wholesalers designated as "subjobbers" for resale.

30 (7) "Person" means any natural person, corporation, partnership,  
31 trust, agency, or other entity, as well as any individual officers,  
32 directors, or other persons in active control of the activities of such  
33 entity.

34 **Sec. 40.** RCW 66.16.100 and 1987 c 386 s 5 are each amended to read  
35 as follows:

36 No state liquor store in a county with a population over three  
37 hundred thousand may sell fortified wine if the board finds that the  
38 sale would be against the public interest based on the factors in RCW

1 ((~~66.24.370~~)) 66.24.360. The burden of establishing that the sale  
2 would be against the public interest is on those persons objecting.

3 **Sec. 41.** RCW 66.20.010 and 1984 c 78 s 6 and 1984 c 45 s 1 are  
4 each reenacted and amended to read as follows:

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

12 (1) Where the application is for a special permit by a physician or  
13 dentist, or by any person in charge of an institution regularly  
14 conducted as a hospital or sanatorium for the care of persons in ill  
15 health, or as a home devoted exclusively to the care of aged people, a  
16 special liquor purchase permit;

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;

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

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

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

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

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

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

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

29 (10) Where the application is for a special permit by a  
30 manufacturer, (~~importer, wholesaler~~) distributor, or (~~agent~~)  
31 representative thereof, to donate and/or serve liquor without charge to  
32 delegates and guests at an international trade fair, show, or  
33 exposition held under the auspices of a federal, state, or local  
34 governmental entity or organized and promoted by a nonprofit  
35 organization, anything in Title 66 RCW to the contrary notwithstanding.  
36 Any such spirituous liquor shall be purchased from the board and any  
37 such beer or wine shall be subject to the taxes imposed by RCW  
38 66.24.290 and 66.24.210;

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

8 **Sec. 42.** RCW 66.20.300 and 1996 c 218 s 2 are each amended to read  
9 as follows:

10 Unless the context clearly requires otherwise, the definitions in  
11 this section apply throughout RCW 66.20.310 through 66.20.350.

12 (1) "Alcohol" has the same meaning as "liquor" in RCW 66.04.010.

13 (2) "Alcohol server" means any person serving or selling alcohol,  
14 spirits, wines, or beer for consumption at an on-premises retail  
15 licensed facility as a regular requirement of his or her employment,  
16 and includes those persons eighteen years of age or older permitted by  
17 the liquor laws of this state to serve alcoholic beverages with meals.

18 (3) "Board" means the Washington state liquor control board.

19 (4) "Training entity" means any liquor licensee associations,  
20 independent contractors, private persons, and private or public  
21 schools, that have been certified by the board.

22 (5) "Retail licensed premises" means any premises licensed to sell  
23 alcohol by the glass or by the drink, or in original containers  
24 primarily for consumption on the premises as authorized by RCW  
25 66.24.320, 66.24.330, (~~66.24.340~~) 66.24.350, 66.24.400, 66.24.425,  
26 66.24.450, (~~and~~) 66.24.570, and section 17 of this act.

27 **Sec. 43.** RCW 66.20.310 and 1996 c 311 s 1 and 1996 c 218 s 3 are  
28 each reenacted and amended to read as follows:

29 (1)(a) There shall be an alcohol server permit, known as a class 12  
30 permit, for a manager or bartender selling or mixing alcohol, spirits,  
31 wines, or beer for consumption at an on-premises licensed facility.

32 (b) There shall be an alcohol server permit, known as a class 13  
33 permit, for a person who only serves alcohol, spirits, wines, or beer  
34 for consumption at an on-premises licensed facility.

35 (c) As provided by rule by the board, a class 13 permit holder may  
36 be allowed to act as a bartender without holding a class 12 permit.

1 (2)(a) Effective January 1, 1997, except as provided in (d) of this  
2 subsection, every person employed, under contract or otherwise, by an  
3 annual retail liquor licensee holding a license as authorized by RCW  
4 66.24.320, 66.24.330, (~~66.24.340~~) 66.24.350, 66.24.400, 66.24.425,  
5 66.24.450, (~~or~~) 66.24.570, or section 17 of this act, who as part of  
6 his or her employment participates in any manner in the sale or service  
7 of alcoholic beverages shall have issued to them a class 12 or class 13  
8 permit.

9 (b) Every class 12 and class 13 permit issued shall be issued in  
10 the name of the applicant and no other person may use the permit of  
11 another permit holder. The holder shall present the permit upon  
12 request to inspection by a representative of the board or a peace  
13 officer. The class 12 or class 13 permit shall be valid for employment  
14 at any retail licensed premises described in (a) of this subsection.

15 (c) No licensee described in (a) of this subsection, except as  
16 provided in (d) of this subsection, may employ or accept the services  
17 of any person without the person first having a valid class 12 or class  
18 13 permit.

19 (d) Within sixty days of initial employment, every person whose  
20 duties include the compounding, sale, service, or handling of liquor  
21 shall have a class 12 or class 13 permit.

22 (e) No person may perform duties that include the sale or service  
23 of alcoholic beverages on a retail licensed premises without possessing  
24 a valid alcohol server permit.

25 (3) A permit issued by a training entity under this section is  
26 valid for employment at any retail licensed premises described in  
27 subsection (2)(a) of this section for a period of five years unless  
28 suspended by the board.

29 (4) The board may suspend or revoke an existing permit if any of  
30 the following occur:

31 (a) The applicant or permittee has been convicted of violating any  
32 of the state or local intoxicating liquor laws of this state or has  
33 been convicted at any time of a felony; or

34 (b) The permittee has performed or permitted any act that  
35 constitutes a violation of this title or of any rule of the board.

36 (5) The suspension or revocation of a permit under this section  
37 does not relieve a licensee from responsibility for any act of the  
38 employee or agent while employed upon the retail licensed premises.  
39 The board may, as appropriate, revoke or suspend either the permit of

1 the employee who committed the violation or the license of the licensee  
2 upon whose premises the violation occurred, or both the permit and the  
3 license.

4 (6)(a) After January 1, 1997, it is a violation of this title for  
5 any retail licensee or agent of a retail licensee as described in  
6 subsection (2)(a) of this section to employ in the sale or service of  
7 alcoholic beverages, any person who does not have a valid alcohol  
8 server permit or whose permit has been revoked, suspended, or denied.

9 (b) It is a violation of this title for a person whose alcohol  
10 server permit has been denied, suspended, or revoked to accept  
11 employment in the sale or service of alcoholic beverages.

12 (7) (~~(Establishments)~~) Grocery stores licensed under RCW  
13 (~~(66.24.320 and 66.24.340)~~) 66.24.360, the primary commercial activity  
14 of which is the sale of grocery products and for which the sale and  
15 service of beer and wine for on-premises consumption with food is  
16 incidental to the primary business, and employees of such  
17 establishments, are exempt from RCW 66.20.300 through 66.20.350.

18 **Sec. 44.** RCW 66.28.010 and 1996 c 224 s 3 and 1996 c 106 s 1 are  
19 each reenacted and amended to read as follows:

20 (1)(a) No manufacturer, importer, or (~~wholesaler~~) distributor, or  
21 person financially interested, directly or indirectly, in such  
22 business; whether resident or nonresident, shall have any financial  
23 interest, direct or indirect, in any licensed retail business; nor  
24 shall any manufacturer, importer, or (~~wholesaler~~) distributor own any  
25 of the property upon which such licensed persons conduct their  
26 business; nor shall any such licensed person, under any arrangement  
27 whatsoever, conduct his or her business upon property in which any  
28 manufacturer, importer, or (~~wholesaler~~) distributor has any interest  
29 unless title to that property is owned by a corporation in which a  
30 manufacturer has no direct stock ownership and there are no  
31 interlocking officers or directors, the retail license is held by an  
32 independent concessionaire which is not owned directly or indirectly by  
33 the manufacturer or property owner, the sales of liquor are incidental  
34 to the primary activity of operating the property as an amphitheater  
35 offering live musical and similar live entertainment activities to the  
36 public, alcoholic beverages produced by the manufacturer are not sold  
37 at the licensed premises, and the board reviews the ownership and  
38 proposed method of operation of all involved entities and determines



1 that there will not be an unacceptable level of control or undue  
2 influence over the operation of the retail licensee. Except as  
3 provided in subsection (3) of this section, no manufacturer, importer,  
4 or ((~~wholesaler~~)) distributor shall advance moneys or moneys' worth to  
5 a licensed person under an arrangement, nor shall such licensed person  
6 receive, under an arrangement, an advance of moneys or moneys' worth.  
7 "Person" as used in this section only shall not include those state or  
8 federally chartered banks, state or federally chartered savings and  
9 loan associations, state or federally chartered mutual savings banks,  
10 or institutional investors which are not controlled directly or  
11 indirectly by a manufacturer, importer, or ((~~wholesaler~~)) distributor  
12 as long as the bank, savings and loan association, or institutional  
13 investor does not influence or attempt to influence the purchasing  
14 practices of the retailer with respect to alcoholic beverages. No  
15 manufacturer, importer, or ((~~wholesaler~~)) distributor shall be eligible  
16 to receive or hold a retail license under this title, nor shall such  
17 manufacturer, importer, or ((~~wholesaler~~)) distributor sell at retail  
18 any liquor as herein defined.

19 (b) Nothing in this section shall prohibit a licensed ((~~brewer~~))  
20 domestic brewery or microbrewery from being licensed as a retailer  
21 pursuant to chapter 66.24 RCW for the purpose of selling beer or wine  
22 at retail on the brewery premises and nothing in this section shall  
23 prohibit a domestic winery from being licensed as a retailer pursuant  
24 to chapter 66.24 RCW for the purpose of selling beer or wine at retail  
25 on the winery premises. Such beer and wine so sold at retail shall be  
26 subject to the taxes imposed by RCW 66.24.290 and 66.24.210 and to  
27 reporting and bonding requirements as prescribed by regulations adopted  
28 by the board pursuant to chapter 34.05 RCW, and beer and wine that is  
29 not produced by the brewery or winery shall be purchased from a  
30 licensed beer or wine ((~~wholesaler~~)) distributor.

31 (c) Nothing in this section shall prohibit a licensed ((~~brewer or~~))  
32 domestic brewery, microbrewery, domestic winery, or a lessee of a  
33 licensed domestic brewer, microbrewery, or domestic winery, from being  
34 licensed as a ((~~class H~~)) full service restaurant pursuant to chapter  
35 66.24 RCW for the purpose of selling liquor at a ((~~class H~~)) full  
36 service restaurant premises on the property on which the primary  
37 manufacturing facility of the licensed domestic brewer, microbrewery,  
38 or domestic winery is located or on contiguous property owned by the  
39 licensed domestic brewer, microbrewery, or domestic winery as

1 prescribed by (~~regulations~~) rules adopted by the board pursuant to  
2 chapter 34.05 RCW.

3 (2) Financial interest, direct or indirect, as used in this  
4 section, shall include any interest, whether by stock ownership,  
5 mortgage, lien, or through interlocking directors, or otherwise.  
6 Pursuant to rules promulgated by the board in accordance with chapter  
7 34.05 RCW manufacturers, (~~wholesalers~~) distributors, and importers  
8 may perform, and retailers may accept the service of building, rotating  
9 and restocking case displays and stock room inventories; rotating and  
10 rearranging can and bottle displays of their own products; provide  
11 point of sale material and brand signs; price case goods of their own  
12 brands; and perform such similar normal business services as the board  
13 may by regulation prescribe.

14 (3)(a) This section does not prohibit a manufacturer, importer, or  
15 (~~wholesaler~~) distributor from providing services to a (~~class G or J~~  
16 ~~retail~~) special occasion licensee for: (i) Installation of draft beer  
17 dispensing equipment or advertising, (ii) advertising, pouring, or  
18 dispensing of beer or wine at a beer or wine tasting exhibition or  
19 judging event, or (iii) a (~~class G or J retail~~) special occasion  
20 licensee from receiving any such services as may be provided by a  
21 manufacturer, importer, or (~~wholesaler~~) distributor. Nothing in this  
22 section shall prohibit a retail licensee, or any person financially  
23 interested, directly or indirectly, in such a retail licensee from  
24 having a financial interest, direct or indirect, in a business which  
25 provides, for a compensation commensurate in value to the services  
26 provided, bottling, canning or other services to a manufacturer, so  
27 long as the retail licensee or person interested therein has no direct  
28 financial interest in or control of said manufacturer.

29 (b) A person holding contractual rights to payment from selling a  
30 liquor (~~wholesaler's~~) distributor's business and transferring the  
31 license shall not be deemed to have a financial interest under this  
32 section if the person (i) lacks any ownership in or control of the  
33 (~~wholesaler~~) distributor, (ii) is not employed by the (~~wholesaler~~)  
34 distributor, and (iii) does not influence or attempt to influence  
35 liquor purchases by retail liquor licensees from the (~~wholesaler~~)  
36 distributor.

37 (c) The board shall adopt such rules as are deemed necessary to  
38 carry out the purposes and provisions of subsection (3)(a) of this

1 section in accordance with the administrative procedure act, chapter  
2 34.05 RCW.

3 (4) A license issued under RCW 66.24.395 does not constitute a  
4 retail license for the purposes of this section.

5 (5) A public house license issued under RCW 66.24.580 does not  
6 violate the provisions of this section as to a retailer having an  
7 interest directly or indirectly in a liquor-licensed manufacturer.

8 **Sec. 45.** RCW 66.28.040 and 1987 c 452 s 15 are each amended to  
9 read as follows:

10 Except as permitted by the board under RCW 66.20.010, no (~~brewer,~~  
11 ~~wholesaler~~) brewery, distributor, distiller, winery, importer,  
12 rectifier, or other manufacturer of liquor shall, within the state,  
13 (~~by himself, his clerk, servant, or agent,~~) give or allow any  
14 employee or representative to give to any person any liquor; but  
15 nothing in this section nor in RCW 66.28.010 shall prevent a (~~brewer,~~  
16 ~~wholesaler~~) brewery, distributor, winery, or importer from furnishing  
17 samples of beer or wine to authorized licensees for the purpose of  
18 negotiating a sale, in accordance with regulations adopted by the  
19 liquor control board, provided that the samples are subject to taxes  
20 imposed by RCW 66.24.290 and 66.24.210; nothing in this section shall  
21 prevent the furnishing of samples of liquor to the board for the  
22 purpose of negotiating the sale of liquor to the state liquor control  
23 board; nothing in this section shall prevent a brewery, winery, or  
24 (~~wholesaler~~) distributor from furnishing beer or wine for  
25 instructional purposes under RCW 66.28.150; nothing in this section  
26 shall prevent a winery or (~~wholesaler~~) distributor from furnishing  
27 wine without charge to a not-for-profit group organized and operated  
28 solely for the purpose of enology or the study of viticulture which has  
29 been in existence for at least six months and any wine so furnished  
30 shall be used solely for such educational purposes, provided that the  
31 wine furnished shall be subject to the taxes imposed by RCW 66.24.210;  
32 nothing in this section shall prevent a brewer from serving beer  
33 without charge, on the brewery premises; nothing in this section shall  
34 prevent donations of wine for the purposes of RCW 66.12.180; and  
35 nothing in this section shall prevent a domestic winery from serving  
36 wine without charge, on the winery premises.

1       **Sec. 46.** RCW 66.28.050 and 1982 c 85 s 11 are each amended to read  
2 as follows:

3       No person shall canvass for, solicit, receive, or take orders for  
4 the purchase or sale of any liquor, or act as ~~((agent))~~ representative  
5 for the purchase or sale of liquor except as authorized by RCW  
6 66.24.310 ~~((as now or hereafter amended))~~ or by RCW 66.24.550.  
7 ~~((Nothing in this section contained shall apply to agents dealing with  
8 the board or to the receipt or transmission of a telegram or letter by  
9 any telegraph agent or operator or post office employee in the ordinary  
10 course of his employment as such agent, operator or employee.))~~

11       **Sec. 47.** RCW 66.28.170 and 1985 c 226 s 3 are each amended to read  
12 as follows:

13       It is unlawful for a manufacturer of wine or malt beverages holding  
14 a certificate of approval issued under RCW 66.24.270 or 66.24.206, a  
15 ~~((brewer's))~~ brewery license, or a domestic winery license to  
16 discriminate in price in selling to any purchaser for resale in the  
17 state.

18       **Sec. 48.** RCW 66.28.180 and 1995 c 232 s 10 are each amended to  
19 read as follows:

20       It is unlawful for a person, firm, or corporation holding a  
21 certificate of approval issued under RCW 66.24.270 or 66.24.206, a beer  
22 ~~((wholesaler's))~~ distributor's license, a domestic brewer's license, a  
23 microbrewer's license, a beer ~~((importer's))~~ distributor's license, a  
24 domestic winery license, a wine ~~((importer's))~~ distributor's license,  
25 or a wine ~~((wholesaler's))~~ distributor's license within the state of  
26 Washington to modify any prices without prior notification to and  
27 approval of the board.

28       (1) Intent. This section is enacted, pursuant to the authority of  
29 this state under the twenty-first amendment to the United States  
30 Constitution, to promote the public's interest in fostering the orderly  
31 and responsible distribution of malt beverages and wine towards  
32 effective control of consumption; to promote the fair and efficient  
33 three-tier system of distribution of such beverages; and to confirm  
34 existing board rules as the clear expression of state policy to  
35 regulate the manner of selling and pricing of wine and malt beverages  
36 by licensed suppliers and ~~((wholesalers))~~ distributors.

37       (2) Beer and wine ~~((wholesale))~~ price posting.

1 (a) Every beer or wine (~~wholesaler~~) distributor shall file with  
2 the board at its office in Olympia a price posting showing the  
3 wholesale prices at which any and all brands of beer and wine sold by  
4 such beer and/or wine (~~wholesaler~~) distributor shall be sold to  
5 retailers within the state.

6 (b) Each price posting shall be made on a form prepared and  
7 furnished by the board, or a reasonable facsimile thereof, and shall  
8 set forth:

9 (i) All brands, types, packages, and containers of beer offered for  
10 sale by such beer and/or wine (~~wholesaler~~) distributor;

11 (ii) The wholesale prices thereof to retail licensees, including  
12 allowances, if any, for returned empty containers.

13 (c) No beer and/or wine (~~wholesaler~~) distributor may sell or  
14 offer to sell any package or container of beer or wine to any retail  
15 licensee at a price differing from the price for such package or  
16 container as shown in the price posting filed by the beer and/or wine  
17 (~~wholesaler~~) distributor and then in effect, according to rules  
18 adopted by the board.

19 (d) Quantity discounts are prohibited. No price may be posted that  
20 is below acquisition cost plus ten percent of acquisition cost.  
21 However, the board is empowered to review periodically, as it may deem  
22 appropriate, the amount of the percentage of acquisition cost as a  
23 minimum mark-up over cost and to modify such percentage by rule of the  
24 board, except such percentage shall be not less than ten percent.

25 (e) Wholesale prices on a "close-out" item shall be accepted by the  
26 board if the item to be discontinued has been listed on the state  
27 market for a period of at least six months, and upon the further  
28 condition that the (~~wholesaler~~) distributor who posts such a close-  
29 out price shall not restock the item for a period of one year following  
30 the first effective date of such close-out price.

31 (f) The board may reject any price posting that it deems to be in  
32 violation of this section or any rule, or portion thereof, or that  
33 would tend to disrupt the orderly sale and distribution of beer and  
34 wine. Whenever the board rejects any posting, the licensee submitting  
35 the posting may be heard by the board and shall have the burden of  
36 showing that the posting is not in violation of this section or a rule  
37 or does not tend to disrupt the orderly sale and distribution of beer  
38 and wine. If the posting is accepted, it shall become effective at the  
39 time fixed by the board. If the posting is rejected, the last

1 effective posting shall remain in effect until such time as an amended  
2 posting is filed and approved, in accordance with the provisions of  
3 this section.

4 (g) All price postings filed as required by this section shall at  
5 all times be open to inspection to all trade buyers within the state of  
6 Washington and shall not in any sense be considered confidential.

7 (h) Any beer and/or wine (~~((wholesaler))~~) distributor or employee  
8 authorized by the wholesaler-employer may sell beer and/or wine at the  
9 (~~((wholesaler's))~~) distributor's posted prices to any (~~((class A, B, C, D,~~  
10 ~~E, F, H, G, or J))~~) annual or special occasion retail licensee upon  
11 presentation to the (~~((wholesaler))~~) distributor or employee at the time  
12 of purchase of a special permit issued by the board to such licensee.

13 (i) Every (~~((class A, B, C, D, E, F, H, G, or J))~~) annual or special  
14 occasion retail licensee, upon purchasing any beer and/or wine from a  
15 (~~((wholesaler))~~) distributor, shall immediately cause such beer or wine  
16 to be delivered to the licensed premises, and the licensee shall not  
17 thereafter permit such beer to be disposed of in any manner except as  
18 authorized by the license.

19 (ii) Beer and wine sold as provided in this section shall be  
20 delivered by the (~~((wholesaler))~~) distributor or an authorized employee  
21 either to the retailer's licensed premises or directly to the retailer  
22 at the wholesaler's licensed premises. A (~~((wholesaler's))~~)  
23 distributor's prices to retail licensees shall be the same at both such  
24 places of delivery.

25 (3) Beer and wine suppliers' price filings, contracts, and  
26 memoranda.

27 (a) Every brewery and winery offering beer and/or wine for sale  
28 within the state shall file with the board at its office in Olympia a  
29 copy of every written contract and a memorandum of every oral agreement  
30 which such brewery or winery may have with any beer or wine  
31 (~~((wholesaler))~~) distributor, which contracts or memoranda shall contain  
32 a schedule of prices charged to (~~((wholesalers))~~) distributors for all  
33 items and all terms of sale, including all regular and special  
34 discounts; all advertising, sales and trade allowances, and incentive  
35 programs; and all commissions, bonuses or gifts, and any and all other  
36 discounts or allowances. Whenever changed or modified, such revised  
37 contracts or memoranda shall forthwith be filed with the board as  
38 provided for by rule. The provisions of this section also apply to  
39 certificate of approval holders(~~((, beer and/or wine importers,))~~) and

1 beer and/or wine (~~((wholesalers))~~) distributors who sell to other beer  
2 and/or wine (~~((wholesalers))~~) distributors.

3 Each price schedule shall be made on a form prepared and furnished  
4 by the board, or a reasonable facsimile thereof, and shall set forth  
5 all brands, types, packages, and containers of beer or wine offered for  
6 sale by such licensed brewery or winery; all additional information  
7 required may be filed as a supplement to the price schedule forms.

8 (b) Prices filed by a brewery or winery shall be uniform prices to  
9 all (~~((wholesalers))~~) distributors on a state-wide basis less bona fide  
10 allowances for freight differentials. Quantity discounts are  
11 prohibited. No price shall be filed that is below acquisition/  
12 production cost plus ten percent of that cost, except that acquisition  
13 cost plus ten percent of acquisition cost does not apply to sales of  
14 beer or wine (~~((between a beer or wine importer who sells beer or wine  
15 to another beer or wine importer or))~~) to a beer or wine (~~((wholesaler))~~)  
16 distributor, or to a beer or wine (~~((wholesaler))~~) distributor who sells  
17 beer or wine to another beer or wine (~~((wholesaler))~~) distributor.  
18 However, the board is empowered to review periodically, as it may deem  
19 appropriate, the amount of the percentage of acquisition/production  
20 cost as a minimum mark-up over cost and to modify such percentage by  
21 rule of the board, except such percentage shall be not less than ten  
22 percent.

23 (c) No brewery, winery, certificate of approval holder, wine  
24 importer, or wine (~~((wholesaler))~~) distributor may sell or offer to sell  
25 any beer or wine to any persons whatsoever in this state until copies  
26 of such written contracts or memoranda of such oral agreements are on  
27 file with the board.

28 (d) No brewery or winery may sell or offer to sell any package or  
29 container of beer or wine to any (~~((wholesaler))~~) distributor at a price  
30 differing from the price for such package or container as shown in the  
31 schedule of prices filed by the (~~((brewer))~~) brewery or domestic winery  
32 and then in effect, according to rules adopted by the board.

33 (e) The board may reject any supplier's price filing, contract, or  
34 memorandum of oral agreement, or portion thereof that it deems to be in  
35 violation of this section or any rule or that would tend to disrupt the  
36 orderly sale and distribution of beer or wine. Whenever the board  
37 rejects any such price filing, contract, or memorandum, the licensee  
38 submitting the price filing, contract, or memorandum may be heard by  
39 the board and shall have the burden of showing that the price filing,

1 contract, or memorandum is not in violation of this section or a rule  
2 or does not tend to disrupt the orderly sale and distribution of beer  
3 or wine. If the price filing, contract, or memorandum is accepted, it  
4 shall become effective at a time fixed by the board. If the price  
5 filing, contract, or memorandum, or portion thereof, is rejected, the  
6 last effective price filing, contract, or memorandum shall remain in  
7 effect until such time as an amended price filing, contract, or  
8 memorandum is filed and approved, in accordance with the provisions of  
9 this section.

10 (f) All prices, contracts, and memoranda filed as required by this  
11 section shall at all times be open to inspection to all trade buyers  
12 within the state of Washington and shall not in any sense be considered  
13 confidential.

14 **Sec. 49.** RCW 66.28.190 and 1988 c 50 s 1 are each amended to read  
15 as follows:

16 RCW 66.28.010 notwithstanding, persons licensed under RCW 66.24.200  
17 as wine (~~wholesalers~~) distributors and persons licensed under RCW  
18 66.24.250 as beer (~~wholesalers~~) distributors may sell at wholesale  
19 nonliquor food products on thirty-day credit terms to persons licensed  
20 as retailers under this title, but complete and separate accounting  
21 records shall be maintained on all sales of nonliquor food products to  
22 ensure that such persons are in compliance with RCW 66.28.010.

23 For the purpose of this section, "nonliquor food products"  
24 (~~include[s]~~) includes all food products for human consumption as  
25 defined in RCW 82.08.0293 as it exists on July 1, 1987, except that for  
26 the purposes of this section bottled water and carbonated beverages,  
27 whether liquid or frozen, shall be considered food products.

28 **Sec. 50.** RCW 66.44.310 and 1994 c 201 s 8 are each amended to read  
29 as follows:

30 (1) Except as otherwise provided by RCW 66.44.316 and 66.44.350, it  
31 shall be a misdemeanor:

32 (a) To serve or allow to remain in any area classified by the board  
33 as off-limits to any person under the age of twenty-one years;

34 (b) For any person under the age of twenty-one years to enter or  
35 remain in any area classified as off-limits to such a person, but  
36 persons under twenty-one years of age may pass through a restricted



1 area in a facility holding a (~~class-H~~) private club full service  
2 license;

3 (c) For any person under the age of twenty-one years to represent  
4 his or her age as being twenty-one or more years for the purpose of  
5 purchasing liquor or securing admission to, or remaining in any area  
6 classified by the board as off-limits to such a person.

7 (2) The Washington state liquor control board shall have the power  
8 and it shall be its duty to classify licensed premises or portions of  
9 licensed premises as off-limits to persons under the age of twenty-one  
10 years of age.

11 **Sec. 51.** RCW 66.98.060 and 1949 c 5 s 14 are each amended to read  
12 as follows:

13 Notwithstanding any provisions of chapter 62 (~~of the~~), Laws of  
14 1933(~~(, extraordinary session)~~) ex. sess., as last amended, or of any  
15 provisions of any other law which may otherwise be applicable, it shall  
16 be lawful for the holder of a (~~class-H~~) full service restaurant  
17 license to sell beer, wine, and spirituous liquor in this state in  
18 accordance with the terms of (~~this act~~) chapter 5, Laws of 1949.

19 **Sec. 52.** RCW 82.08.150 and 1994 sp.s. c 7 s 903 are each amended  
20 to read as follows:

21 (1) There is levied and shall be collected a tax upon each retail  
22 sale of spirits, or strong beer in the original package at the rate of  
23 fifteen percent of the selling price. The tax imposed in this  
24 subsection shall apply to all such sales including sales by the  
25 Washington state liquor stores and agencies, but excluding sales to  
26 (~~class-H~~) full service restaurant licensees.

27 (2) There is levied and shall be collected a tax upon each sale of  
28 spirits, or strong beer in the original package at the rate of ten  
29 percent of the selling price on sales by Washington state liquor stores  
30 and agencies to (~~class-H~~) full service restaurant licensees.

31 (3) There is levied and shall be collected an additional tax upon  
32 each retail sale of spirits in the original package at the rate of one  
33 dollar and seventy-two cents per liter. The additional tax imposed in  
34 this subsection shall apply to all such sales including sales by  
35 Washington state liquor stores and agencies, and including sales to  
36 (~~class-H~~) full service restaurant licensees.

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

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

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

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

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

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

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

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

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

12 NEW SECTION. **Sec. 53.** The liquor control board may adopt  
13 appropriate rules pursuant to chapter 34.05 RCW for the purpose of  
14 carrying out the provisions of this act.

15 NEW SECTION. **Sec. 54.** The following acts or parts of acts are  
16 each repealed:

17 (1) RCW 66.24.204 and 1981 1st ex.s. c 5 s 33 & 1969 ex.s. c 21 s  
18 9;

19 (2) RCW 66.24.260 and 1981 1st ex.s. c 5 s 15 & 1937 c 217 s 1;

20 (3) RCW 66.24.340 and 1981 1st ex.s. c 5 s 39, 1981 c 94 s 1, 1977  
21 ex.s. c 9 s 3, 1967 ex.s. c 75 s 4, 1941 c 220 s 3, & 1937 c 217 s 1;

22 (4) RCW 66.24.370 and 1992 c 42 s 1, 1987 c 386 s 4, 1981 1st ex.s.  
23 c 5 s 42, 1981 c 182 s 1, 1973 1st ex.s. c 209 s 16, 1967 ex.s. c 75 s  
24 7, & 1937 c 217 s 1;

25 (5) RCW 66.24.490 and 1995 c 232 s 9, 1994 c 201 s 3, 1987 c 386 s  
26 6, 1985 c 306 s 1, 1981 1st ex.s. c 5 s 19, 1977 ex.s. c 9 s 5, 1969  
27 ex.s. c 178 s 7, & 1967 c 55 s 1;

28 (6) RCW 66.24.500 and 1988 c 200 s 3 & 1982 c 85 s 6;

29 (7) RCW 66.24.510 and 1984 c 71 s 1, 1981 1st ex.s. c 5 s 47, &  
30 1975 1st ex.s. c 173 s 12; and

31 (8) RCW 66.24.560 and 1994 c 201 s 4.

32 NEW SECTION. **Sec. 55.** This act is necessary for the immediate  
33 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect  
2 July 1, 1997.

--- END ---