

1 **SSB 6812 - H AMD 624 ADOPTED 3-3-00**

2 By Representative Clements

3 Strike everything after the enacting clause and insert the
4 following:

5 "Sec. 1. RCW 66.04.010 and 1997 c 321 37 are each amended to
6 read as follows:

7 In this title, unless the context otherwise requires:

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

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

19 (3) "Beer distributor" means a person who buys beer from a brewer
20 or brewery located either within or beyond the boundaries of the state,
21 beer importers, or foreign produced beer from a source outside the
22 state of Washington, for the purpose of selling the same pursuant to
23 this title, or who represents such brewer or brewery as agent.

24 (4) "Beer importer" means a person or business within Washington
25 who purchases beer from a United States brewery holding a certificate
26 of approval (B5) or foreign produced beer from a source outside the
27 state of Washington for the purpose of selling the same pursuant to
28 this title.

29 (5) "Brewer" means any person engaged in the business of
30 manufacturing beer and malt liquor. Brewer includes a brand owner of
31 malt beverages who holds a brewer's notice with the federal bureau of
32 alcohol, tobacco, and firearms at a location outside the state and
33 whose malt beverage is contract-produced by a licensed in-state
34 brewery, and who may exercise within the state, under a domestic
35 brewery license, only the privileges of storing, selling to licensed
36 beer distributors, and exporting beer from the state.

1 (6) "Board" means the liquor control board, constituted under this
2 title.

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

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

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

11 (10) "Distiller" means a person engaged in the business of
12 distilling spirits.

13 (11) "Domestic brewery" means a place where beer and malt liquor
14 are manufactured or produced by a brewer within the state.

15 (12) "Domestic winery" means a place where wines are manufactured
16 or produced within the state of Washington.

17 ((+12+))(13) "Druggist" means any person who holds a valid
18 certificate and is a registered pharmacist and is duly and regularly
19 engaged in carrying on the business of pharmaceutical chemistry
20 pursuant to chapter 18.64 RCW.

21 ((+13+))(14) "Drug store" means a place whose principal business
22 is, the sale of drugs, medicines and pharmaceutical preparations and
23 maintains a regular prescription department and employs a registered
24 pharmacist during all hours the drug store is open.

25 ((+14+))(15) "Employee" means any person employed by the board,
26 including a vendor, as hereinafter in this section defined.

27 ((+15+))(16) "Fund" means 'liquor revolving fund.'

28 ((+16+))(17) "Hotel" means every building or other structure kept,
29 used, maintained, advertised or held out to the public to be a place
30 where food is served and sleeping accommodations are offered for pay to
31 transient guests, in which twenty or more rooms are used for the
32 sleeping accommodation of such transient guests and having one or more
33 dining rooms where meals are served to such transient guests, such
34 sleeping accommodations and dining rooms being conducted in the same
35 building and buildings, in connection therewith, and such structure or
36 structures being provided, in the judgment of the board, with adequate
37 and sanitary kitchen and dining room equipment and capacity, for
38 preparing, cooking and serving suitable food for its guests: PROVIDED

1 FURTHER, That in cities and towns of less than five thousand
2 population, the board shall have authority to waive the provisions
3 requiring twenty or more rooms.

4 ~~((+17))~~(18) "Importer" means a person who buys distilled spirits
5 from a distillery outside the state of Washington and imports such
6 spirituous liquor into the state for sale to the board or for export.

7 ~~((+18))~~(19) "Imprisonment" means confinement in the county jail.

8 ~~((+19))~~(20) "Liquor" includes the four varieties of liquor herein
9 defined (alcohol, spirits, wine and beer), and all fermented,
10 spirituous, vinous, or malt liquor, or combinations thereof, and mixed
11 liquor, a part of which is fermented, spirituous, vinous or malt
12 liquor, or otherwise intoxicating; and every liquid or solid or
13 semisolid or other substance, patented or not, containing alcohol,
14 spirits, wine or beer, and all drinks or drinkable liquids and all
15 preparations or mixtures capable of human consumption, and any liquid,
16 semisolid, solid, or other substance, which contains more than one
17 percent of alcohol by weight shall be conclusively deemed to be
18 intoxicating. Liquor does not include confections or food products
19 that contain one percent or less of alcohol by weight.

20 ~~((+20))~~(21) "Manufacturer" means a person engaged in the
21 preparation of liquor for sale, in any form whatsoever.

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

31 ~~((+22))~~(23) "Package" means any container or receptacle used for
32 holding liquor.

33 ~~((+23))~~(24) "Permit" means a permit for the purchase of liquor
34 under this title.

35 ~~((+24))~~(25) "Person" means an individual, copartnership,
36 association, or corporation.

1 (~~(+25)~~)(26) "Physician" means a medical practitioner duly and
2 regularly licensed and engaged in the practice of his profession within
3 the state pursuant to chapter 18.71 RCW.

4 (~~(+26)~~)(27) "Prescription" means a memorandum signed by a
5 physician and given by him to a patient for the obtaining of liquor
6 pursuant to this title for medicinal purposes.

7 (~~(+27)~~)(28) "Public place" includes streets and alleys of
8 incorporated cities and towns; state or county or township highways or
9 roads; buildings and grounds used for school purposes; public dance
10 halls and grounds adjacent thereto; those parts of establishments where
11 beer may be sold under this title, soft drink establishments, public
12 buildings, public meeting halls, lobbies, halls and dining rooms of
13 hotels, restaurants, theatres, stores, garages and filling stations
14 which are open to and are generally used by the public and to which the
15 public is permitted to have unrestricted access; railroad trains,
16 stages, and other public conveyances of all kinds and character, and
17 the depots and waiting rooms used in conjunction therewith which are
18 open to unrestricted use and access by the public; publicly owned
19 bathing beaches, parks, and/or playgrounds; and all other places of
20 like or similar nature to which the general public has unrestricted
21 right of access, and which are generally used by the public.

22 (~~(+28)~~)(29) "Regulations" means regulations made by the board
23 under the powers conferred by this title.

24 (~~(+29)~~)(30) "Restaurant" means any establishment provided with
25 special space and accommodations where, in consideration of payment,
26 food, without lodgings, is habitually furnished to the public, not
27 including drug stores and soda fountains.

28 (~~(+30)~~)(31) "Sale" and "sell" include exchange, barter, and
29 traffic; and also include the selling or supplying or distributing, by
30 any means whatsoever, of liquor, or of any liquid known or described as
31 beer or by any name whatever commonly used to describe malt or brewed
32 liquor or of wine, by any person to any person; and also include a sale
33 or selling within the state to a foreign consignee or his agent in the
34 state. "Sale" and "sell" shall not include the giving, at no charge,
35 of a reasonable amount of liquor by a person not licensed by the board
36 to a person not licensed by the board, for personal use only. "Sale"
37 and "sell" also does not include a raffle authorized under RCW

1 9.46.0315: PROVIDED, That the nonprofit organization conducting the
2 raffle has obtained the appropriate permit from the board.

3 ~~((+31+))~~(32) "Soda fountain" means a place especially equipped
4 with apparatus for the purpose of dispensing soft drinks, whether mixed
5 or otherwise.

6 ~~((+32+))~~(33) "Spirits" means any beverage which contains alcohol
7 obtained by distillation, including wines exceeding twenty-four percent
8 of alcohol by volume.

9 ~~((+33+))~~(34) "Store" means a state liquor store established under
10 this title.

11 ~~((+34+))~~(35) "Tavern" means any establishment with special space
12 and accommodation for sale by the glass and for consumption on the
13 premises, of beer, as herein defined.

14 ~~((+35+))~~(36) "Vendor" means a person employed by the board as a
15 store manager under this title.

16 ~~((+36+))~~(37) "Winery" means a business conducted by any person for
17 the manufacture of wine for sale, other than a domestic winery.

18 ~~((+37+))~~(38) "Wine" means any alcoholic beverage obtained by
19 fermentation of fruits (grapes, berries, apples, et cetera) or other
20 agricultural product containing sugar, to which any saccharine
21 substances may have been added before, during or after fermentation,
22 and containing not more than twenty-four percent of alcohol by volume,
23 including sweet wines fortified with wine spirits, such as port,
24 sherry, muscatel and angelica, not exceeding twenty-four percent of
25 alcohol by volume and not less than one-half of one percent of alcohol
26 by volume. For purposes of this title, any beverage containing no more
27 than fourteen percent of alcohol by volume when bottled or packaged by
28 the manufacturer shall be referred to as "table wine," and any beverage
29 containing alcohol in an amount more than fourteen percent by volume
30 when bottled or packaged by the manufacturer shall be referred to as
31 "fortified wine." However, "fortified wine" shall not include: (a)
32 Wines that are both sealed or capped by cork closure and aged two years
33 or more; and (b) wines that contain more than fourteen percent alcohol
34 by volume solely as a result of the natural fermentation process and
35 that have not been produced with the addition of wine spirits, brandy,
36 or alcohol.

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

1 (~~(38)~~)(39) "Wine distributor" means a person who buys wine from
2 a vintner or winery located either within or beyond the boundaries of
3 the state for the purpose of selling the same not in violation of this
4 title, or who represents such vintner or winery as agent.

5 (~~(39)~~)(40) "Wine importer" means a person or business within
6 Washington who purchases wine from a United States winery holding a
7 certificate of approval (W7) or foreign produced wine from a source
8 outside the state of Washington for the purpose of selling the same
9 pursuant to this title.

10 **Sec. 2.** RCW 66.24.240 and 1997 c 321 11 are each amended to read
11 as follows:

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

15 (2) Any domestic brewery, except for a brand owner of malt
16 beverages under RCW 66.04.010(5), licensed under this section may also
17 act as a distributor and/or retailer for beer of its own production.
18 Any domestic brewery operating as a distributor and/or retailer under
19 this subsection shall comply with the applicable laws and rules
20 relating to distributors and/or retailers.

21 (3) Any domestic brewery licensed under this section may contract-
22 produce beer for a brand owner of malt beverages defined under RCW
23 66.04.010(5), and this contract-production is not a sale for the
24 purposes of RCW 66.28.170 and 66.28.180."

25 Correct internal references accordingly. Correct the title.

EFFECT: Defines "domestic brewery" as a place where beer is manufactured by a brewer in this state; includes in the definition of brewer, a brand owner, whose malt beverage is brewed under contract with an in-state brewery; removes contract-production of beer between a brand owner and a licensed domestic brewery from requirements for price posting; and clarifies that the brand owner of contract-produced beer may not act as a distributor for its own product under a domestic brewery license.