

HOUSE BILL 1026

State of Washington

58th Legislature

2003 Regular Session

By Representatives Nixon, Mielke, Schindler and Woods

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Committee on Commerce & Labor.

1 AN ACT Relating to the privatization of the state's retail and
2 wholesale liquor sales; amending RCW 66.04.010, 66.08.020, 66.08.050,
3 66.08.150, 66.24.010, 66.16.010, 66.16.040, 66.16.060, 66.16.070,
4 66.16.080, 66.16.100, 66.16.110, 66.20.010, 66.20.160, 66.20.170,
5 66.20.180, 66.20.190, 66.20.200, 66.20.210, 66.44.150, 66.24.440,
6 66.24.540, 66.24.410, 66.08.030, 66.12.110, and 66.12.120; adding a new
7 chapter to Title 66 RCW; creating a new section; repealing RCW
8 66.16.030 and 66.16.090; and providing an effective date.

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

10 PART 1 - DEFINITIONS

11 Sec. 101. RCW 66.04.010 and 2000 c 142 s 1 are each amended to
12 read as follows:

13 In this title, unless the context otherwise requires:

14 (1) "Alcohol" is that substance known as ethyl alcohol, hydrated
15 oxide of ethyl, or spirit of wine, which is commonly produced by the
16 fermentation or distillation of grain, starch, molasses, or sugar, or
17 other substances including all dilutions and mixtures of this

1 substance. The term "alcohol" does not include alcohol in the
2 possession of a manufacturer or distiller of alcohol fuel, as described
3 in RCW 66.12.130, which is intended to be denatured and used as a fuel
4 for use in motor vehicles, farm implements, and machines or implements
5 of husbandry.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21 (18) "Franchise area" means a geographic area designated as such by
22 the board for the purpose of issuing franchises.

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

26 (20) "Fund" means 'liquor revolving fund.'

27 ~~((17))~~ (21) "Hotel" means every building or other structure kept,
28 used, maintained, advertised or held out to the public to be a place
29 where food is served and sleeping accommodations are offered for pay to
30 transient guests, in which twenty or more rooms are used for the
31 sleeping accommodation of such transient guests and having one or more
32 dining rooms where meals are served to such transient guests, such
33 sleeping accommodations and dining rooms being conducted in the same
34 building and buildings, in connection therewith, and such structure or
35 structures being provided, in the judgment of the board, with adequate
36 and sanitary kitchen and dining room equipment and capacity, for
37 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 ~~((18))~~ (22) "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 ~~((19))~~ (23) "Imprisonment" means confinement in the county jail.

8 ~~((20))~~ (24) "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 ~~((21))~~ (25) "Manufacturer" means a person engaged in the
21 preparation of liquor for sale, in any form whatsoever.

22 ~~((22))~~ (26) "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 ~~((23))~~ (27) "Package" means any container or receptacle used for
32 holding liquor.

33 ~~((24))~~ (28) "Permit" means a permit for the purchase of liquor
34 under this title.

35 ~~((25))~~ (29) "Person" means an individual, copartnership,
36 association, or corporation.

37 ~~((26))~~ (30) "Physician" means a medical practitioner duly and

1 regularly licensed and engaged in the practice of his profession within
2 the state pursuant to chapter 18.71 RCW.

3 ~~((+27+))~~ (31) "Prescription" means a memorandum signed by a
4 physician and given by him to a patient for the obtaining of liquor
5 pursuant to this title for medicinal purposes.

6 ~~((+28+))~~ (32) "Public place" includes streets and alleys of
7 incorporated cities and towns; state or county or township highways or
8 roads; buildings and grounds used for school purposes; public dance
9 halls and grounds adjacent thereto; those parts of establishments where
10 beer may be sold under this title, soft drink establishments, public
11 buildings, public meeting halls, lobbies, halls and dining rooms of
12 hotels, restaurants, theatres, stores, garages and filling stations
13 which are open to and are generally used by the public and to which the
14 public is permitted to have unrestricted access; railroad trains,
15 stages, and other public conveyances of all kinds and character, and
16 the depots and waiting rooms used in conjunction therewith which are
17 open to unrestricted use and access by the public; publicly owned
18 bathing beaches, parks, and/or playgrounds; and all other places of
19 like or similar nature to which the general public has unrestricted
20 right of access, and which are generally used by the public.

21 ~~((+29+))~~ (33) "Regulations" means regulations made by the board
22 under the powers conferred by this title.

23 ~~((+30+))~~ (34) "Restaurant" means any establishment provided with
24 special space and accommodations where, in consideration of payment,
25 food, without lodgings, is habitually furnished to the public, not
26 including drug stores and soda fountains.

27 ~~((+31+))~~ (35) "Retail liquor store" means a specific location where
28 spirits, strong beer, and alcohol may be lawfully sold by a franchisee
29 under provisions of this title.

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

1 and "sell" also does not include a raffle authorized under RCW
2 9.46.0315: PROVIDED, That the nonprofit organization conducting the
3 raffle has obtained the appropriate permit from the board.

4 ~~((+32+))~~ (37) "Soda fountain" means a place especially equipped
5 with apparatus for the purpose of dispensing soft drinks, whether mixed
6 or otherwise.

7 ~~((+33+))~~ (38) "Spirits" means any beverage which contains alcohol
8 obtained by distillation, including wines exceeding twenty-four percent
9 of alcohol by volume.

10 ~~((+34+))~~ (39) "Store" means a state liquor store established under
11 this title.

12 ~~((+35+))~~ (40) "Strong beer" means malt beverage or malt liquor as
13 defined in this section that has an alcohol content of more than eight
14 percent alcohol by weight.

15 (41) "Tavern" means any establishment with special space and
16 accommodation for sale by the glass and for consumption on the
17 premises, of beer, as herein defined.

18 ~~((+36+))~~ (42) "Vendor" means a person employed by the board as a
19 store manager under this title.

20 ~~((+37+))~~ (43) "Winery" means a business conducted by any person for
21 the manufacture of wine for sale, other than a domestic winery.

22 ~~((+38+))~~ (44) "Wine" means any alcoholic beverage obtained by
23 fermentation of fruits (grapes, berries, apples, et cetera) or other
24 agricultural product containing sugar, to which any saccharine
25 substances may have been added before, during or after fermentation,
26 and containing not more than twenty-four percent of alcohol by volume,
27 including sweet wines fortified with wine spirits, such as port,
28 sherry, muscatel and angelica, not exceeding twenty-four percent of
29 alcohol by volume and not less than one-half of one percent of alcohol
30 by volume. For purposes of this title, any beverage containing no more
31 than fourteen percent of alcohol by volume when bottled or packaged by
32 the manufacturer shall be referred to as "table wine," and any beverage
33 containing alcohol in an amount more than fourteen percent by volume
34 when bottled or packaged by the manufacturer shall be referred to as
35 "fortified wine." However, "fortified wine" shall not include: (a)
36 Wines that are both sealed or capped by cork closure and aged two years
37 or more; and (b) wines that contain more than fourteen percent alcohol

1 by volume solely as a result of the natural fermentation process and
2 that have not been produced with the addition of wine spirits, brandy,
3 or alcohol.

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

6 ~~((+39+))~~ (45) "Wine distributor" means a person who buys wine from
7 a vintner or winery located either within or beyond the boundaries of
8 the state for the purpose of selling the same not in violation of this
9 title, or who represents such vintner or winery as agent.

10 ~~((+40+))~~ (46) "Wine importer" means a person or business within
11 Washington who purchases wine from a United States winery holding a
12 certificate of approval (W7) or foreign produced wine from a source
13 outside the state of Washington for the purpose of selling the same
14 pursuant to this title.

15 **PART 2 - RETAIL AND WHOLESALE LIQUOR FRANCHISES**

16 **Sec. 201.** RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended
17 to read as follows:

18 The administration of this title, including the general control,
19 management and supervision of all liquor stores and the regulation of
20 retail liquor stores and liquor agencies, in addition to the
21 prohibitions in section 209 of this act, shall be vested in the liquor
22 control board, constituted under this title.

23 NEW SECTION. **Sec. 202.** RETAIL FRANCHISES--ESTABLISHMENT. The
24 board shall establish, or cause to be established, franchises for the
25 retail sale of liquor within the state.

26 NEW SECTION. **Sec. 203.** WHOLESALE FRANCHISES--ESTABLISHMENT. The
27 board shall establish, or cause to be established, franchises for the
28 wholesale sale of liquor within the state. No person may
29 simultaneously hold a wholesale and retail franchise within the state.

30 NEW SECTION. **Sec. 204.** BOARD'S AUTHORITY. The board may:
31 (1) By rule, establish the franchise period, expiration date, and
32 renewal procedures;

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

3 (3) Enter the facility of any franchisee at any time for the
4 purpose of inspecting the facility and determining the compliance of
5 the franchisee with this title and any implementing rules;

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

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

12 NEW SECTION. **Sec. 205.** TRANSITION--BOARD NOT TO COMPETE. (1) The
13 board shall provide an orderly transition from state liquor stores to
14 franchised liquor sales.

15 (2) After state liquor sales are converted to franchises under
16 sections 202 and 203 of this act, it is unlawful for the board to lease
17 space for or operate a state retail or wholesale liquor outlet.

18 **Sec. 206.** RCW 66.08.050 and 1997 c 228 s 1 are each amended to
19 read as follows:

20 The board, subject to the provisions of this title and the rules,
21 shall:

22 (1) ~~((Determine the localities within which state liquor stores
23 shall be established throughout the state, and the number and situation
24 of the stores within each locality;~~

25 ~~(2))~~ Appoint in cities and towns and other communities, in which
26 no ~~((state))~~ liquor store is located, liquor vendors. In addition, the
27 board may appoint, in its discretion, a manufacturer that also
28 manufactures liquor products other than wine under a license under this
29 title, as a vendor for the purpose of sale of liquor products of its
30 own manufacture on the licensed premises only. Such liquor vendors
31 shall be agents of the board and be authorized to sell liquor to such
32 persons, firms or corporations as provided for the sale of liquor from
33 ~~((a-state))~~ other liquor stores, and such vendors shall be subject to
34 such additional rules and regulations consistent with this title as the
35 board may require;

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

4 ~~(4))~~ (2) Provide for the leasing for periods not to exceed ten
5 years of all premises required for the conduct of the business; and for
6 remodeling the same, and the procuring of their furnishings, fixtures,
7 and supplies; and for obtaining options of renewal of such leases by
8 the lessee. The terms of such leases in all other respects shall be
9 subject to the direction of the board;

10 ~~((5))~~ (3) Determine the nature, form and capacity of all packages
11 to be used for containing liquor kept for sale under this title;

12 ~~((6))~~ (4) Execute or cause to be executed, all contracts, papers,
13 and documents in the name of the board, under such regulations as the
14 board may fix;

15 ~~((7))~~ (5) Pay all customs, duties, excises, charges and
16 obligations whatsoever relating to the business of the board;

17 ~~((8))~~ (6) Require bonds from all employees in the discretion of
18 the board, and to determine the amount of fidelity bond of each such
19 employee;

20 ~~((9))~~ (7) Perform services for the state lottery commission to
21 such extent, and for such compensation, as may be mutually agreed upon
22 between the board and the commission;

23 ~~((10))~~ (8) Accept and deposit into the general fund-local account
24 and disburse, subject to appropriation, federal grants or other funds
25 or donations from any source for the purpose of improving public
26 awareness of the health risks associated with alcohol consumption by
27 youth and the abuse of alcohol by adults in Washington state. The
28 board's alcohol awareness program shall cooperate with federal and
29 state agencies, interested organizations, and individuals to effect an
30 active public beverage alcohol awareness program;

31 ~~((11))~~ (9) Perform all other matters and things, whether similar
32 to the foregoing or not, to carry out the provisions of this title, and
33 shall have full power to do each and every act necessary to the conduct
34 of its business, including all buying, selling, preparation and
35 approval of forms, and every other function of the business whatsoever,
36 subject only to audit by the state auditor: PROVIDED, That the board
37 shall have no authority to regulate the content of spoken language on

1 licensed premises where wine and other liquors are served and where
2 there is not a clear and present danger of disorderly conduct being
3 provoked by such language;

4 (10) Establish fees for retail and wholesale franchisees.

5 NEW SECTION. Sec. 207. TRANSFER OF RETAIL AND WHOLESALE
6 FRANCHISES--SUBLEASING PROHIBITED--SURRENDER OF LICENSE. A retail or
7 wholesale franchise may be transferred to any person determined by
8 investigation of the board to be qualified to hold a liquor store
9 license. The board may adopt reasonable rules governing the transfer
10 of franchises.

11 No franchise may be subleased by any franchise holder.

12 **Sec. 208.** RCW 66.08.150 and 1989 c 175 s 122 are each amended to
13 read as follows:

14 (1) The action, order, or decision of the board as to any denial of
15 an application for the reissuance of a permit ~~((~~☒~~))~~, license, or
16 franchise or as to any revocation, suspension, or modification of any
17 permit ~~((~~☒~~))~~, license, or franchise shall be an adjudicative
18 proceeding and subject to the applicable provisions of chapter 34.05
19 RCW.

20 ~~((+1))~~ (2) An opportunity for a hearing may be provided an
21 applicant for the reissuance of a permit ~~((~~☒~~))~~, license, or franchise
22 prior to the disposition of the application, and if no such opportunity
23 for a prior hearing is provided then an opportunity for a hearing to
24 reconsider the application must be provided the applicant.

25 ~~((+2))~~ (3) An opportunity for a hearing must be provided a
26 permittee ~~((~~☒~~))~~, licensee, or franchisee prior to a revocation or
27 modification of any permit ~~((~~☒~~))~~, license, or franchise and, except as
28 provided in subsection (4) of this section, prior to the suspension of
29 any permit ~~((~~☒~~))~~, license, or franchise.

30 ~~((+3))~~ (4) No hearing shall be required until demanded by the
31 applicant, permittee, ~~((~~☒~~))~~ licensee, or franchisee.

32 ~~((+4))~~ (5) The board may summarily suspend a license ~~((~~☒~~))~~,
33 permit, or franchise for a period of up to thirty days without a prior
34 hearing if it finds that public health, safety, or welfare imperatively
35 require emergency action, and incorporates a finding to that effect in

1 its order; and proceedings for revocation or other action must be
2 promptly instituted and determined.

3 NEW SECTION. **Sec. 209.** PROHIBITED ACTS. (1) In addition to other
4 provisions of law, it is unlawful for any franchisee, or agent or
5 employee thereof, on the franchisee's premises to:

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

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

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

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

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

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

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

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

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

34 (3) Nothing in this chapter or any rule of the board prevents or
35 prohibits any franchisee from employing any person who is at least
36 eighteen years of age to serve in any franchise, or from having such a

1 person assist a person twenty-one years of age or older who handles,
2 sells, or delivers spirits, strong beer, or alcohol under this chapter.

3 NEW SECTION. **Sec. 210.** RETAIL LIQUOR FRANCHISE--SEPARATION FROM
4 OTHER MERCHANDISE. Spirits, strong beer, and alcohol shall be located
5 in a separate building from other retail facilities of the franchisee
6 or be separated from the sales area of other types of merchandise and
7 shall have a separate entrance and exit and its own point of sale
8 device.

9 **PART 3 - AMENDATORY PROVISIONS**

10 **Sec. 301.** RCW 66.24.010 and 2002 c 119 s 3 are each amended to
11 read as follows:

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

14 (2) For the purpose of considering any application for a license,
15 the board may cause an inspection of the premises to be made, and may
16 inquire into all matters in connection with the construction and
17 operation of the premises. For the purpose of reviewing any
18 application for a license and for considering the denial, suspension or
19 revocation of any license, the liquor control board may consider any
20 prior criminal conduct of the applicant including a criminal history
21 record information check. The board may submit the criminal history
22 record information check to the Washington state patrol and to the
23 identification division of the federal bureau of investigation in order
24 that these agencies may search their records for prior arrests and
25 convictions of the individual or individuals who filled out the forms.
26 The board shall require fingerprinting of any applicant whose criminal
27 history record information check is submitted to the federal bureau of
28 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW
29 shall not apply to such cases. The board may, in its discretion, grant
30 or refuse the license applied for. Authority to approve an uncontested
31 or unopposed license may be granted by the board to any staff member
32 the board designates in writing. Conditions for granting such
33 authority shall be adopted by rule. No retail license of any kind may
34 be issued to:

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

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

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

9 (d) A corporation or a limited liability company, unless it was
10 created under the laws of the state of Washington or holds a
11 certificate of authority to transact business in the state of
12 Washington.

13 (3)(a) The board may, in its discretion, subject to the provisions
14 of RCW 66.08.150, suspend or cancel any license; and all rights of the
15 licensee to keep or sell liquor thereunder shall be suspended or
16 terminated, as the case may be.

17 (b) The board shall immediately suspend the license or certificate
18 of a person who has been certified pursuant to RCW 74.20A.320 by the
19 department of social and health services as a person who is not in
20 compliance with a support order. If the person has continued to meet
21 all other requirements for reinstatement during the suspension,
22 reissuance of the license or certificate shall be automatic upon the
23 board's receipt of a release issued by the department of social and
24 health services stating that the licensee is in compliance with the
25 order.

26 (c) The board may request the appointment of administrative law
27 judges under chapter 34.12 RCW who shall have power to administer
28 oaths, issue subpoenas for the attendance of witnesses and the
29 production of papers, books, accounts, documents, and testimony,
30 examine witnesses, and to receive testimony in any inquiry,
31 investigation, hearing, or proceeding in any part of the state, under
32 such rules and regulations as the board may adopt.

33 (d) Witnesses shall be allowed fees and mileage each way to and
34 from any such inquiry, investigation, hearing, or proceeding at the
35 rate authorized by RCW 34.05.446, as now or hereafter amended. Fees
36 need not be paid in advance of appearance of witnesses to testify or to
37 produce books, records, or other legal evidence.

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

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

19 (5)(a) At the time of the original issuance of a spirits, beer, and
20 wine restaurant license, the board shall prorate the license fee
21 charged to the new licensee according to the number of calendar
22 quarters, or portion thereof, remaining until the first renewal of that
23 license is required.

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

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

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

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

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

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

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

30 (11) The notice requirements and restrictions in subsection (9) of
31 this section apply to the issuance of retail and wholesale liquor store
32 franchises.

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

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

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

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

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

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

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

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

25 **Sec. 302.** RCW 66.16.010 and 1939 c 172 s 10 are each amended to
26 read as follows:

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

34 ~~(2))~~) The liquor control board may, from time to time, fix the
35 special price at which pure ethyl alcohol may be sold to physicians and
36 dentists and institutions regularly conducted as hospitals, for use or
37 consumption only in such hospitals; and may also fix the special price

1 at which pure ethyl alcohol may be sold to schools, colleges and
2 universities within the state for use for scientific purposes.
3 Regularly conducted hospitals may have right to purchase pure ethyl
4 alcohol on a federal permit.

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

10 ((+4)) (3) The liquor control board may also fix a special price
11 at which pure ethyl alcohol may be sold to any private individual, and
12 shall make regulations governing such sale of alcohol to private
13 individuals as shall promote, as nearly as may be, the minimum purchase
14 of such alcohol by such persons.

15 (4) Pure ethyl alcohol may be sold by retail liquor franchisees
16 only to permit holders at prices the retail liquor franchisees fix for
17 their own sales.

18 **Sec. 303.** RCW 66.16.040 and 1996 c 291 s 1 are each amended to
19 read as follows:

20 Except as otherwise provided by law, an employee in a ((state
21 ~~liquor store~~)) retail liquor franchise or liquor agency may sell liquor
22 to any person of legal age to purchase alcoholic beverages and may also
23 sell to holders of permits such liquor as may be purchased under such
24 permits.

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

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

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

34 (3) United States armed forces identification card issued to active
35 duty, reserve, and retired personnel and the personnel's dependents.

36 (4) Passport.

1 (5) Merchant Marine identification card issued by the United States
2 Coast Guard.

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

5 No liquor sold under this section shall be delivered until the
6 purchaser has paid for the liquor in cash, except as allowed under RCW
7 66.16.041. The use of a personal credit card does not rely upon the
8 credit of the state as prohibited by Article VIII, section 5 of the
9 state Constitution.

10 **Sec. 304.** RCW 66.16.060 and 1943 c 216 s 1 are each amended to
11 read as follows:

12 The board may in its discretion by regulation prescribe that any or
13 all liquors other than malt liquor shall be delivered to any purchaser
14 at a state liquor ((store)) retail franchise only in a package sealed
15 with the official seal.

16 **Sec. 305.** RCW 66.16.070 and 1933 ex.s. c 62 s 10 are each amended
17 to read as follows:

18 No employee in a state liquor ((store)) retail franchise shall open
19 or consume, or allow to be opened or consumed any liquor on the
20 ((store)) retail franchise premises.

21 **Sec. 306.** RCW 66.16.080 and 1988 c 101 s 1 are each amended to
22 read as follows:

23 No sale or delivery of liquor shall be made on or from the premises
24 of any state liquor ((store)) retail franchise, nor shall any store be
25 open for the sale of liquor, on Sunday, unless the board determines
26 that unique circumstances exist which necessitate Sunday liquor sales
27 by vendors appointed under RCW 66.08.050(2) of products of their own
28 manufacture, not to exceed one case of liquor per customer.

29 **Sec. 307.** RCW 66.16.100 and 1997 c 321 s 42 are each amended to
30 read as follows:

31 No state liquor ((store)) retail franchise in a county with a
32 population over three hundred thousand may sell fortified wine if the
33 board finds that the sale would be against the public interest based on

1 the factors in RCW 66.24.360. The burden of establishing that the sale
2 would be against the public interest is on those persons objecting.

3 **Sec. 308.** RCW 66.16.110 and 1993 c 422 s 2 are each amended to
4 read as follows:

5 The board shall cause to be posted in conspicuous places, in a
6 number determined by the board, within each (~~state liquor store~~)
7 retail liquor franchise, notices in print not less than one inch high
8 warning persons that consumption of alcohol shortly before conception
9 or during pregnancy may cause birth defects, including fetal alcohol
10 syndrome and fetal alcohol effects.

11 **Sec. 309.** RCW 66.20.010 and 1998 c 126 s 1 are each amended to
12 read as follows:

13 Upon application in the prescribed form being made to any employee
14 authorized by the board to issue permits, accompanied by payment of the
15 prescribed fee, and upon the employee being satisfied that the
16 applicant should be granted a permit under this title, the employee
17 shall issue to the applicant under such regulations and at such fee as
18 may be prescribed by the board a permit of the class applied for, as
19 follows:

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

25 (2) Where the application is for a special permit by a person
26 engaged within the state in mechanical or manufacturing business or in
27 scientific pursuits requiring alcohol for use therein, or by any
28 private individual, a special permit to purchase alcohol for the
29 purpose named in the permit;

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

34 (4) Where the application is for a special permit to consume liquor
35 on the premises of a business not licensed under this title, a special

1 permit to purchase liquor for consumption thereon for such periods of
2 time and to such applicants as may be fixed by the board;

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

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

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

16 (8) Where the application is for a special permit by a
17 manufacturer, importer, or distributor, or representative thereof, to
18 serve liquor without charge to delegates and guests at a convention of
19 a trade association composed of licensees of the board, when the said
20 liquor is served in a hospitality room or from a booth in a board-
21 approved suppliers' display room at the convention, and when the liquor
22 so served is for consumption in the said hospitality room or display
23 room during the convention, anything in Title 66 RCW to the contrary
24 notwithstanding. Any such spirituous liquor shall be purchased from
25 (~~the board~~) a state liquor franchise, a liquor agency, or a spirits,
26 beer, and wine restaurant licensee and any such beer and wine shall be
27 subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

28 (9) Where the application is for a special permit by a
29 manufacturer, importer, or distributor, or representative thereof, to
30 donate liquor for a reception, breakfast, luncheon, or dinner for
31 delegates and guests at a convention of a trade association composed of
32 licensees of the board, when the liquor so donated is for consumption
33 at the said reception, breakfast, luncheon, or dinner during the
34 convention, anything in Title 66 RCW to the contrary notwithstanding.
35 Any such spirituous liquor shall be purchased from (~~the board~~) a
36 state liquor franchise, a liquor agency, or a spirits, beer, and wine
37 restaurant licensee and any such beer and wine shall be subject to the
38 taxes imposed by RCW 66.24.290 and 66.24.210;

1 (10) Where the application is for a special permit by a
2 manufacturer, importer, or distributor, or representative thereof, to
3 donate and/or serve liquor without charge to delegates and guests at an
4 international trade fair, show, or exposition held under the auspices
5 of a federal, state, or local governmental entity or organized and
6 promoted by a nonprofit organization, anything in Title 66 RCW to the
7 contrary notwithstanding. Any such spirituous liquor shall be
8 purchased from ~~((the board))~~ a state liquor franchise, a liquor agency,
9 and any such beer or wine shall be subject to the taxes imposed by RCW
10 66.24.290 and 66.24.210;

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

18 **Sec. 310.** RCW 66.20.160 and 1973 1st ex.s. c 209 s 4 are each
19 amended to read as follows:

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

22 "Card of identification" means any one of those cards described in
23 RCW 66.16.040.

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

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

29 **Sec. 311.** RCW 66.20.170 and 1973 1st ex.s. c 209 s 5 are each
30 amended to read as follows:

31 A card of identification may for the purpose of this title and for
32 the purpose of procuring liquor, be accepted as an identification card
33 by any licensee or ~~((store))~~ employee and as evidence of legal age of
34 the person presenting such card, provided the licensee or ~~((store))~~
35 employee complies with the conditions and procedures prescribed herein
36 and such regulations as may be made by the board.

1 **Sec. 312.** RCW 66.20.180 and 1973 1st ex.s. c 209 s 6 are each
2 amended to read as follows:

3 A card of identification shall be presented by the holder thereof
4 upon request of any licensee, (~~store~~) employee, peace officer, or
5 enforcement officer of the board for the purpose of aiding the
6 licensee, (~~store~~) employee, peace officer, or enforcement officer of
7 the board to determine whether or not such person is of legal age to
8 purchase liquor when such person desires to procure liquor from a
9 licensed establishment (~~or state~~), retail liquor store, or liquor
10 agency.

11 **Sec. 313.** RCW 66.20.190 and 1981 1st ex.s. c 5 s 9 are each
12 amended to read as follows:

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

29 **Sec. 314.** RCW 66.20.200 and 2002 c 175 s 41 are each amended to
30 read as follows:

31 It shall be unlawful for the owner of a card of identification to
32 transfer the card to any other person for the purpose of aiding such
33 person to procure alcoholic beverages from any licensee or (~~store~~)
34 employee. Any person who shall permit his or her card of
35 identification to be used by another or transfer such card to another
36 for the purpose of aiding such transferee to obtain alcoholic beverages

1 from a licensee or (~~store~~) employee or gain admission to a premises
2 or portion of a premises classified by the board as off-limits to
3 persons under twenty-one years of age, shall be guilty of a misdemeanor
4 punishable as provided by RCW 9A.20.021, except that a minimum fine of
5 two hundred fifty dollars shall be imposed and any sentence requiring
6 community restitution shall require not fewer than twenty-five hours of
7 community restitution. Any person not entitled thereto who unlawfully
8 procures or has issued or transferred to him or her a card of
9 identification, and any person who possesses a card of identification
10 not issued to him or her, and any person who makes any false statement
11 on any certification card required by RCW 66.20.190, as now or
12 hereafter amended, to be signed by him or her, shall be guilty of a
13 misdemeanor punishable as provided by RCW 9A.20.021, except that a
14 minimum fine of two hundred fifty dollars shall be imposed and any
15 sentence requiring community restitution shall require not fewer than
16 twenty-five hours of community restitution.

17 **Sec. 315.** RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each
18 amended to read as follows:

19 No licensee or the agent or employee of the licensee, (~~or store~~
20 ~~employee,~~) retail liquor store, or liquor agency shall be prosecuted
21 criminally or be sued in any civil action for serving liquor to a
22 person under legal age to purchase liquor if such person has presented
23 a card of identification in accordance with RCW 66.20.180, and has
24 signed a certification card as provided in RCW 66.20.190.

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

29 **Sec. 316.** RCW 66.44.150 and 1955 c 289 s 5 are each amended to
30 read as follows:

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

1 **Sec. 317.** RCW 66.24.440 and 1998 c 126 s 8 are each amended to
2 read as follows:

3 Each spirits, beer, and wine restaurant, spirits, beer, and wine
4 private club, and sports entertainment facility licensee shall be
5 entitled to purchase any (~~(spirited liquor items)~~) spirits salable
6 under such license from (~~(the board at a discount of not less than~~
7 ~~fifteen percent from the retail price fixed by the board, together with~~
8 ~~all taxes)~~) wholesale and retail liquor franchises and liquor agencies.

9 **Sec. 318.** RCW 66.24.540 and 1999 c 129 s 1 are each amended to
10 read as follows:

11 There shall be a retailer's license to be designated as a motel
12 license. The motel license may be issued to a motel regardless of
13 whether it holds any other class of license under this title. No
14 license may be issued to a motel offering rooms to its guests on an
15 hourly basis. The license authorizes the licensee to:

16 (1) Sell, at retail, in locked honor bars, spirits in individual
17 bottles not to exceed fifty milliliters, beer in individual cans or
18 bottles not to exceed twelve ounces, and wine in individual bottles not
19 to exceed one hundred eighty-seven milliliters, to registered guests of
20 the motel for consumption in guest rooms.

21 (a) Each honor bar must also contain snack foods. No more than
22 one-half of the guest rooms may have honor bars.

23 (b) All spirits to be sold under the license must be purchased from
24 (~~(the board)~~) a retail liquor franchise or liquor agency.

25 (c) The licensee shall require proof of age from the guest renting
26 a guest room and requesting the use of an honor bar. The guest shall
27 also execute an affidavit verifying that no one under twenty-one years
28 of age shall have access to the spirits, beer, and wine in the honor
29 bar.

30 (2) Provide without additional charge, to overnight guests of the
31 motel, beer and wine by the individual serving for on-premises
32 consumption at a specified regular date, time, and place as may be
33 fixed by the board. Self-service by attendees is prohibited. All beer
34 and wine service must be done by an alcohol server as defined in RCW
35 66.20.300 and comply with RCW 66.20.310.

36 The annual fee for a motel license is five hundred dollars.

1 "Motel" as used in this section means a transient accommodation
2 licensed under chapter 70.62 RCW.

3 As used in this section, "spirits," "beer," and "wine" have the
4 meanings defined in RCW 66.04.010.

5 **Sec. 319.** RCW 66.24.410 and 1983 c 3 s 164 are each amended to
6 read as follows:

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

10 (2) "Restaurant" as used in RCW 66.24.400 to 66.24.450, inclusive,
11 means an establishment provided with special space and accommodations
12 where, in consideration of payment, food, without lodgings, is
13 habitually furnished to the public, not including drug stores and soda
14 fountains: PROVIDED, That such establishments shall be approved by the
15 board and that the board shall be satisfied that such establishment is
16 maintained in a substantial manner as a place for preparing, cooking
17 and serving of complete meals. The service of only fry orders or such
18 food and victuals as sandwiches, hamburgers, or salads shall not be
19 deemed in compliance with this definition.

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

29 **Sec. 320.** RCW 66.08.030 and 2002 c 119 s 2 are each amended to
30 read as follows:

31 (1) For the purpose of carrying into effect the provisions of this
32 title according to their true intent or of supplying any deficiency
33 therein, the board may make such regulations not inconsistent with the
34 spirit of this title as are deemed necessary or advisable. All
35 regulations so made shall be a public record and shall be filed in the
36 office of the code reviser, and thereupon shall have the same force and

1 effect as if incorporated in this title. Such regulations, together
2 with a copy of this title, shall be published in pamphlets and shall be
3 distributed as directed by the board.

4 (2) Without thereby limiting the generality of the provisions
5 contained in subsection (1), it is declared that the power of the board
6 to make regulations in the manner set out in that subsection shall
7 extend to:

8 ~~(a) ((regulating the equipment and management of stores and
9 warehouses in which state liquor is sold or kept, and prescribing the
10 books and records to be kept therein and the reports to be made thereon
11 to the board;~~

12 ~~(b))~~ (b) Prescribing the duties of the employees of the board, and
13 regulating their conduct in the discharge of their duties;

14 ~~((c) governing the purchase of liquor by the state and the
15 furnishing of liquor to stores established under this title;~~

16 ~~(d) determining the classes, varieties, and brands of liquor to be
17 kept for sale at any store;~~

18 ~~(e))~~ (b) Prescribing, subject to RCW 66.16.080, the hours during
19 which ~~((the state liquor stores))~~ retail liquor franchises and liquor
20 agencies shall be kept open for the sale of liquor;

21 ~~((f) providing for the issuing and distributing of price lists
22 showing the price to be paid by purchasers for each variety of liquor
23 kept for sale under this title;~~

24 ~~(g))~~ (c) Prescribing an official seal and official labels and
25 stamps and determining the manner in which they shall be attached to
26 every package of liquor sold or sealed under this title, including the
27 prescribing of different official seals or different official labels
28 for different classes of liquor;

29 ~~((h) providing for the payment by the board in whole or in part of
30 the carrying charges on liquor shipped by freight or express;~~

31 ~~(i))~~ (d) Prescribing forms to be used for purposes of this title
32 or the regulations, and the terms and conditions to be contained in
33 permits and licenses issued under this title, and the qualifications
34 for receiving a permit or license issued under this title, including a
35 criminal history record information check. The board may submit the
36 criminal history record information check to the Washington state
37 patrol and to the identification division of the federal bureau of
38 investigation in order that these agencies may search their records for

1 prior arrests and convictions of the individual or individuals who
2 filled out the forms. The board shall require fingerprinting of any
3 applicant whose criminal history record information check is submitted
4 to the federal bureau of investigation;

5 ~~((+j))~~ (e) Prescribing the fees payable in respect of permits and
6 licenses issued under this title for which no fees are prescribed in
7 this title, and prescribing the fees for anything done or permitted to
8 be done under the regulations;

9 ~~((+k))~~ (f) Prescribing the kinds and quantities of liquor which
10 may be kept on hand by the holder of a special permit for the purposes
11 named in the permit, regulating the manner in which the same shall be
12 kept and disposed of, and providing for the inspection of the same at
13 any time at the instance of the board;

14 ~~((+l))~~ (g) Regulating the sale of liquor kept by the holders of
15 licenses which entitle the holder to purchase and keep liquor for sale;

16 ~~((+m))~~ (h) Prescribing the records of purchases or sales of liquor
17 kept by the holders of licenses, and the reports to be made thereon to
18 the board, and providing for inspection of the records so kept;

19 ~~((+n))~~ (i) Prescribing the kinds and quantities of liquor for
20 which a prescription may be given, and the number of prescriptions
21 which may be given to the same patient within a stated period;

22 ~~((+o))~~ (j) Prescribing the manner of giving and serving notices
23 required by this title or the regulations, where not otherwise provided
24 for in this title;

25 ~~((+p))~~ (k) Regulating premises in which liquor is kept for export
26 from the state, or from which liquor is exported, prescribing the books
27 and records to be kept therein and the reports to be made thereon to
28 the board, and providing for the inspection of the premises and the
29 books, records and the liquor so kept;

30 ~~((+q))~~ (l) Prescribing the conditions and qualifications requisite
31 for the obtaining of club licenses and the books and records to be kept
32 and the returns to be made by clubs, prescribing the manner of
33 licensing clubs in any municipality or other locality, and providing
34 for the inspection of clubs;

35 ~~((+r))~~ (m) Prescribing the conditions, accommodations and
36 qualifications requisite for the obtaining of licenses to sell beer and
37 wines, and regulating the sale of beer and wines thereunder;

1 ~~((s))~~ (n) Specifying and regulating the time and periods when,
2 and the manner, methods and means by which manufacturers shall deliver
3 liquor within the state; and the time and periods when, and the manner,
4 methods and means by which liquor may lawfully be conveyed or carried
5 within the state;

6 ~~((t))~~ (o) Providing for the making of returns by brewers of their
7 sales of beer shipped within the state, or from the state, showing the
8 gross amount of such sales and providing for the inspection of brewers'
9 books and records, and for the checking of the accuracy of any such
10 returns;

11 ~~((u))~~ (p) Providing for the making of returns by the wholesalers
12 of beer whose breweries are located beyond the boundaries of the state;

13 ~~((v))~~ (q) Providing for the making of returns by any other liquor
14 manufacturers, showing the gross amount of liquor produced or
15 purchased, the amount sold within and exported from the state, and to
16 whom so sold or exported, and providing for the inspection of the
17 premises of any such liquor manufacturers, their books and records, and
18 for the checking of any such return;

19 ~~((w))~~ (r) Providing for the giving of fidelity bonds by any or
20 all of the employees of the board: PROVIDED, That the premiums
21 therefor shall be paid by the board;

22 ~~((x))~~ (s) Providing for the shipment by mail or common carrier of
23 liquor to any person holding a permit and residing in any unit which
24 has, by election pursuant to this title, prohibited the sale of liquor
25 therein;

26 ~~((y))~~ (t) Prescribing methods of manufacture, conditions of
27 sanitation, standards of ingredients, quality and identity of alcoholic
28 beverages manufactured, sold, bottled, or handled by licensees and the
29 board; and conducting from time to time, in the interest of the public
30 health and general welfare, scientific studies and research relating to
31 alcoholic beverages and the use and effect thereof;

32 ~~((z))~~ (u) Seizing, confiscating and destroying all alcoholic
33 beverages manufactured, sold or offered for sale within this state
34 which do not conform in all respects to the standards prescribed by
35 this title or the regulations of the board: PROVIDED, Nothing herein
36 contained shall be construed as authorizing the liquor board to
37 prescribe, alter, limit or in any way change the present law as to the

1 quantity or percentage of alcohol used in the manufacturing of wine or
2 other alcoholic beverages.

3 **Sec. 321.** RCW 66.12.110 and 1999 c 281 s 3 are each amended to
4 read as follows:

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

10 Such entry of alcoholic beverages in excess of that herein provided
11 may be authorized by the board upon payment of (~~an equivalent markup~~
12 ~~and tax as would be applicable to the purchase of the same or similar~~
13 ~~liquor at retail from a Washington state liquor store~~) applicable
14 taxes. The board shall adopt appropriate regulations pursuant to
15 chapter 34.05 RCW for the purpose of carrying out the provisions of
16 this section. The board may issue a spirits, beer, and wine private
17 club license to a charitable or nonprofit corporation of the state of
18 Washington, the majority of the officers and directors of which are
19 United States citizens and the minority of the officers and directors
20 of which are citizens of the Dominion of Canada, and where the location
21 of the premises for such spirits, beer, and wine private club license
22 is not more than ten miles south of the border between the United
23 States and the province of British Columbia.

24 **Sec. 322.** RCW 66.12.120 and 1995 c 100 s 1 are each amended to
25 read as follows:

26 Notwithstanding any other provision of Title 66 RCW, a person
27 twenty-one years of age or over may, free of tax and markup, for
28 personal or household use, bring into the state of Washington from
29 another state no more than once per calendar month up to two liters of
30 spirits or wine or two hundred eighty-eight ounces of beer.
31 Additionally, such person may be authorized by the board to bring into
32 the state of Washington from another state a reasonable amount of
33 alcoholic beverages in excess of that provided in this section for
34 personal or household use only upon payment of (~~an equivalent markup~~
35 ~~and tax as would be applicable to the purchase of the same or similar~~

1 ~~liquor at retail from a state liquor store))~~ applicable taxes. The
2 board shall adopt appropriate regulations pursuant to chapter 34.05 RCW
3 for the purpose of carrying into effect the provisions of this section.

4 **PART 4 - MISCELLANEOUS**

5 NEW SECTION. Sec. 401. Captions and part headings as used in this
6 act do not constitute any part of the law.

7 NEW SECTION. Sec. 402. Sections 202 through 205, 207, 209, and
8 210 of this act constitute a new chapter in Title 66 RCW.

9 NEW SECTION. Sec. 403. The following acts or parts of acts are
10 each repealed:

11 (1) RCW 66.16.030 (Vendor to be in charge) and 1933 ex.s. c 62 s 6;
12 and

13 (2) RCW 66.16.090 (Record of individual purchases confidential--
14 Penalty for disclosure) and 1933 ex.s. c 62 s 89.

15 NEW SECTION. Sec. 404. This act takes effect January 1, 2004.
16 The liquor control board is authorized to take steps necessary to
17 implement this act on its effective date.

18 NEW SECTION. Sec. 405. If any provision of this act or its
19 application to any person or circumstance is held invalid, the
20 remainder of the act or the application of the provision to other
21 persons or circumstances is not affected.

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