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HB 2412 - S AMD TO S AMD (S-7005.1/20) 1332 By Senator Takko

ADOPTED 03/06/2020

- On page 6, after line 24, insert the following:
- 2 "Sec. 3. RCW 66.28.200 and 2009 c 373 s 7 are each amended to 3 read as follows:
- (1) Licensees holding a beer and/or wine restaurant or a tavern 4 license in combination with an off-premises beer and wine retailer's 5 license, licensees holding a spirits, beer, and wine restaurant 6 7 license with an endorsement issued under RCW 66.24.400(4), and licensees holding a beer and/or wine specialty shop license with an 8 9 endorsement issued under RCW 66.24.371(1) may sell malt liquor in kegs or other containers capable of holding four gallons or more of 10 11 liquid. Under a special endorsement from the board, a grocery store 12 licensee may sell malt liquor in containers no larger than five and 13 one-half gallons. The sale of any container holding four gallons or 14 more must comply with the provisions of this section and RCW 66.28.210 through 66.28.240. 15
 - (2) ((Any)) Except as provided in subsection (3) of this section, any person who sells or offers for sale the contents of kegs or other containers containing four gallons or more of malt liquor, or leases kegs or other containers that will hold four gallons of malt liquor, to consumers who are not licensed under chapter 66.24 RCW shall do the following for any transaction involving the container:
- 22 (a) Require the purchaser of the malt liquor to sign a 23 declaration and receipt for the keg or other container or beverage in 24 substantially the form provided in RCW 66.28.220;
- 25 (b) Require the purchaser to provide one piece of identification 26 pursuant to RCW 66.16.040;
- 27 (c) Require the purchaser to sign a sworn statement, under 28 penalty of perjury, that:
- 29 (i) The purchaser is of legal age to purchase, possess, or use 30 malt liquor;

- 1 (ii) The purchaser will not allow any person under the age of twenty-one years to consume the beverage except as provided by RCW 3 66.44.270;
- 4 (iii) The purchaser will not remove, obliterate, or allow to be 5 removed or obliterated, the identification required under RCW 6 66.28.220 to be affixed to the container;
 - (d) Require the purchaser to state the particular address where the malt liquor will be consumed, or the particular address where the keg or other container will be physically located; and
 - (e) Require the purchaser to maintain a copy of the declaration and receipt next to or adjacent to the keg or other container, in no event a distance greater than five feet, and visible without a physical barrier from the keg, during the time that the keg or other container is in the purchaser's possession or control.
 - (3) Domestic breweries licensed under RCW 66.24.240 and microbreweries licensed under RCW 66.24.244 are not subject to this section when selling or offering for sale kegs or other containers containing four gallons or more of malt liquor of the licensee's own production, or when selling, offering for sale, or leasing kegs or other containers that will hold four gallons or more of liquid.
- 21 $\underline{(4)}$ A violation of this section is a gross misdemeanor.

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- 22 **Sec. 4.** RCW 66.28.210 and 2003 c 53 s 297 are each amended to 23 read as follows:
 - (1) ((Any)) Except as provided in subsection (2) of this section, any person who purchases the contents of kegs or other containers containing four gallons or more of malt liquor, or purchases or leases the container shall:
- 28 (a) Sign a declaration and receipt for the keg or other container 29 or beverage in substantially the form provided in RCW 66.28.220;
- 30 (b) Provide one piece of identification pursuant to RCW 31 66.16.040;
 - (c) Be of legal age to purchase, possess, or use malt liquor;
- 33 (d) Not allow any person under the age of twenty-one to consume 34 the beverage except as provided by RCW 66.44.270;
- 35 (e) Not remove, obliterate, or allow to be removed or 36 obliterated, the identification required under rules adopted by the 37 board;

(f) Not move, keep, or store the keg or its contents, except for transporting to and from the distributor, at any place other than that particular address declared on the receipt and declaration; and

- (g) Maintain a copy of the declaration and receipt next to or adjacent to the keg or other container, in no event a distance greater than five feet, and visible without a physical barrier from the keg, during the time that the keg or other container is in the purchaser's possession or control.
- (2) A person who purchases the contents of a keg or other container containing four gallons or more of malt liquor from a domestic brewery licensed under RCW 66.24.240 or a microbrewery licensed under RCW 66.24.244, or who purchases or leases a keg or other container that will hold four gallons or more of liquid from such a domestic brewery or microbrewery, is not subject to this section except for the requirements in subsection (1) (c) and (d) of this section.
 - (3) A violation of this section is a gross misdemeanor.
- **Sec. 5.** RCW 66.28.220 and 2007 c 53 s 3 are each amended to read 19 as follows:
 - (1) The board shall adopt rules requiring retail licensees to affix appropriate identification on all containers of four gallons or more of malt liquor for the purpose of tracing the purchasers of such containers. The rules may provide for identification to be done on a statewide basis or on the basis of smaller geographical areas. The rules do not apply to sales by domestic breweries and microbreweries of malt liquor of the licensee's own production in kegs or other containers containing four gallons or more of malt liquor, or to sales or leases by domestic breweries and microbreweries of kegs or containers that will hold four or more gallons of liquid.
 - (2) The board shall develop and make available forms for the declaration and receipt required by RCW 66.28.200. The board may charge spirits, beer, and wine restaurant licensees with an endorsement issued under RCW 66.24.400(4) and grocery store licensees for the costs of providing the forms and that money collected for the forms shall be deposited into the liquor revolving fund for use by the board, without further appropriation, to continue to administer the cost of the keg registration program.
- 38 (3) ((It)) <u>Except as provided in subsection (4) of this section</u>,
 39 <u>it</u> is unlawful for any person to sell or offer for sale kegs or other
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 3 S-7589.1/20

- 1 containers containing four gallons or more of malt liquor to consumers who are not licensed under chapter 66.24 RCW if the kegs or
- 3 containers are not identified in compliance with rules adopted by the
- 4 board.
- 5 (4) <u>In accordance with RCW 66.24.200</u>, sales by domestic breweries
- 6 and microbreweries of malt liquor of the licensee's own production in
- 7 kegs or other containers containing four gallons or more of malt
- 8 <u>liquor are not subject to the keg and container identification</u>
- 9 requirements in this section or the board's rules.
- 10 <u>(5)</u> A violation of this section is a gross misdemeanor."

<u>HB 2412</u> - S AMD TO S AMD (S-7005.1/20) **1332**By Senator Takko

ADOPTED 03/06/2020

- On page 6, line 26, after "66.24.244" insert ", 66.28.200,
- 12 66.28.210, and 66.28.220"

 $\underline{\text{EFFECT:}}$ Exempts licensed domestic breweries and microbreweries from keg registration requirements.

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