SUBSTITUTE SENATE BILL 6035

State of Washington 66th Legislature 2020 Regular Session

By Senate Labor & Commerce (originally sponsored by Senators Keiser, King, Conway, and Stanford)

READ FIRST TIME 01/24/20.

- 1 AN ACT Relating to instruction for liquor license employees;
- 2 amending RCW 66.24.320, 66.24.330, 66.24.590, and 66.28.150; and
- 3 reenacting and amending RCW 66.24.400.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 66.24.320 and 2019 c 169 s 2 are each amended to 6 read as follows:
- There shall be a beer and/or wine restaurant license to sell beer, including strong beer, or wine, or both, at retail, for consumption on the premises. A patron of the licensee may remove from the premises, recorked or recapped in its original container, any portion of wine or sake that was purchased for consumption with a
- 12 meal.
- 13 (1) The annual fee shall be two hundred dollars for the beer 14 license, two hundred dollars for the wine license, or four hundred 15 dollars for a combination beer and wine license.
- 16 (2)(a) The board may issue a caterer's endorsement to this 17 license to allow the licensee to remove from the liquor stocks at the 18 licensed premises, only those types of liquor that are authorized 19 under the on-premises license privileges for sale and service at 20 event locations at a specified date and, except as provided in 21 subsection (3) of this section, place not currently licensed by the

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board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

- (b) The holder of this license with a catering endorsement shall, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee shall provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.
- (c) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on the premises of another not licensed by the board so long as there is a written agreement between the licensee and the other party to provide for ongoing catering services, the agreement contains no exclusivity clauses regarding the alcoholic beverages to be served, and the agreement is filed with the board.
- (d) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee. A duplicate license may be issued for each additional premises. A license fee of twenty dollars shall be required for such duplicate licenses.
- (3) Licensees under this section that hold a caterer's endorsement are allowed to use this endorsement on a domestic winery premises or on the premises of a passenger vessel and may store liquor at such premises under conditions established by the board under the following conditions:
- (a) Agreements between the domestic winery or the passenger vessel, as the case may be, and the retail licensee shall be in writing, contain no exclusivity clauses regarding the alcoholic beverages to be served, and be filed with the board; and
- 36 (b) The domestic winery or passenger vessel, as the case may be, 37 and the retail licensee shall be separately contracted and 38 compensated by the persons sponsoring the event for their respective 39 services.

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(4) The holder of this license or its manager may furnish beer or wine to the licensee's employees free of charge as may be required for use in connection with instruction on beer and wine. instruction include the history, nature, may values, and characteristics of beer or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling beer or wine. The beer and/or wine licensee must use the beer or wine it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the beer and/or wine licensee and participating employees are considered to be on duty for the purposes of compensation. Licensees and their employees may not sample products in areas where the public is served and may not be engaged in serving alcohol to the public at the same time. In no case may the sampling occur if the licensee or employee is or becomes apparently intoxicated.

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- (5) If the license is issued to a person who contracts with the Washington state ferry system to provide food and alcohol service on a designated ferry route, the license shall cover any vessel assigned to the designated route. A separate license is required for each designated ferry route.
- 21 **Sec. 2.** RCW 66.24.330 and 2017 c 252 s 1 are each amended to 22 read as follows:
 - (1) There is a beer and wine retailer's license to be designated as a tavern license to sell beer, including strong beer, or wine, or both, at retail, for consumption on the premises. Such licenses may be issued only to a person operating a tavern that may be frequented only by persons twenty-one years of age and older.
 - (2) The annual fee for the license is two hundred dollars for the beer license, two hundred dollars for the wine license, or four hundred dollars for a combination beer and wine license. Licensees who have a fee increase of more than one hundred dollars as a result of this change shall have their fees increased fifty percent of the amount the first renewal year and the remaining amount beginning with the second renewal period. New licensees obtaining a license after July 1, 1998, must pay the full amount of four hundred dollars.
 - (3)(a) The board may issue a caterer's endorsement to this license to allow the licensee to remove from the liquor stocks at the licensed premises, only those types of liquor that are authorized under the on-premises license privileges for sale and service at

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event locations at a specified date and, except as provided in subsection (4) of this section, place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

- (b) The holder of this license with a catering endorsement must, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee must provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.
- (c) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on the premises of another not licensed by the board so long as there is a written agreement between the licensee and the other party to provide for ongoing catering services, the agreement contains no exclusivity clauses regarding the alcoholic beverages to be served, and the agreement is filed with the board.
- (d) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee. A duplicate license may be issued for each additional premises. A license fee of twenty dollars is required for such duplicate licenses.
- (4) Licensees under this section that hold a caterer's endorsement are allowed to use this endorsement on a domestic winery premises and may store liquor at such premises under conditions established by the board under the following conditions:
- (a) Agreements between the domestic winery and the retail licensee must be in writing, contain no exclusivity clauses regarding the alcoholic beverages to be served, and be filed with the board; and
- 37 (b) The domestic winery and the retail licensee may be separately 38 contracted and compensated by the persons sponsoring the event for 39 their respective services.

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- 1 (5) The holder of this license or its manager may furnish beer or wine to the licensee's employees free of charge as may be required 2 3 for use in connection with instruction on beer and wine. instruction include the history, nature, 4 may values, and characteristics of beer or wine, the use of wine lists, and the 5 6 methods of presenting, serving, storing, and handling beer or wine. The tavern licensee must use the beer or wine it obtains under its 7 license for the sampling as part of the instruction. The instruction 8 must be given on the premises of the tavern licensee 9 participating employees are considered to be on duty for the purposes 10 of compensation. Licensees and their employees may not sample 11 products in areas where the public is served and may not be engaged 12 in serving alcohol to the public at the same time. In no case may the 13 sampling occur if the licensee or employee is or becomes apparently 14 15 intoxicated.
- 16 (6) Any person serving liquor at a catered event on behalf of a 17 licensee with a caterer's endorsement under this section must be an 18 employee of the licensee and must possess a class 12 alcohol server 19 permit as required under RCW 66.20.310.
- 20 (7) The board may issue rules as necessary to implement the requirements of this section.
- 22 **Sec. 3.** RCW 66.24.400 and 2019 c 169 s 3 and 2019 c 61 s 2 are 23 each reenacted and amended to read as follows:

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There shall be a retailer's license, to be known and designated as a spirits, beer, and wine restaurant license, to sell spirituous liquor by the individual glass, beer, and wine, at retail, for consumption on the premises, including mixed drinks and cocktails compounded or mixed on the premises only. A club licensed under chapter 70.62 RCW with overnight sleeping accommodations, that is licensed under this section may sell liquor by the bottle to registered quests of the club for consumption in quest rooms, hospitality rooms, or at banquets in the club. A patron of a bona fide restaurant or club licensed under this section may remove from the premises recorked or recapped in its original container any portion of wine or sake which was purchased for consumption with a meal, and registered guests who have purchased liquor from the club by the bottle may remove from the premises any unused portion of such liquor in its original container. Such license may be issued only to bona fide restaurants and clubs, and to dining, club and buffet cars

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on passenger trains, and to dining places on passenger boats and airplanes, and to dining places at civic centers with facilities for sports, entertainment, and conventions, and to such other establishments operated and maintained primarily for the benefit of tourists, vacationers and travelers as the board shall determine are qualified to have, and in the discretion of the board should have, a spirits, beer, and wine restaurant license under the provisions and limitations of this title.

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- (2) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license to sell bottled wine for off-premises consumption. Spirits and beer may not be sold for off-premises consumption under this section except as provided in subsection (4) of this section. The annual fee for the endorsement under this subsection is one hundred twenty dollars.
- The holder of a spirits, beer, and wine license or its manager may furnish beer, wine, or spirituous liquor to the licensee's employees free of charge as may be required for use in connection with instruction on beer, wine, or spirituous liquor. The instruction may include the history, nature, values, characteristics of beer, wine, or spirituous liquor, the use of wine lists, and the methods of presenting, serving, storing, and handling beer, wine, and spirituous liquor. The spirits, beer, and wine restaurant licensee must use the beer, wine, or spirituous liquor it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the spirits, beer, and wine restaurant licensee and participating employees are considered to be on duty for the purposes of compensation. Licensees and their employees may not sample products in areas where the public is served and may not be engaged in serving alcohol to the public at the same time. In no case may the sampling occur if the licensee or employee is or becomes apparently intoxicated.
- (4) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license to sell for off-premises consumption malt liquor in kegs or other containers that are capable of holding four gallons or more of liquid and are registered in accordance with RCW 66.28.200. Beer may also be sold under the endorsement to a purchaser in a sanitary container brought to the premises by the purchaser or

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furnished by the licensee and filled at the tap by the retailer at the time of sale. The annual fee for the endorsement under this subsection is one hundred twenty dollars.

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- (5) (a) The board shall create a soju endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license to serve soju for onpremises consumption by the bottle to tables of two or more patrons twenty-one years of age or older. Cost of the endorsement is fifty dollars.
- 10 (b) The holder of a soju endorsement may serve soju in bottles 11 that are three hundred seventy-five milliliters or less. Empty 12 bottles of soju must remain on the patron's table until the patron 13 has left the premises of the licensee.
 - (c) The patron of a holder of a soju endorsement may remove from the premises recapped in its original container any unused portion of soju that was purchased for consumption with a meal.
 - (d) The board must develop additional responsible sale and service of soju training curriculum related to the provisions of the soju endorsement under this subsection (5) that includes but is not limited to certification procedures and enforcement policies. This information must be provided in both Korean and English languages to licensees holding the soju endorsement. Soju endorsement holders must ensure servers providing soju to patrons are trained in the soju curriculum developed under this subsection (5).
 - **Sec. 4.** RCW 66.24.590 and 2012 c 2 s 115 are each amended to read as follows:
 - (1) There is a retailer's license to be designated as a hotel license. No license may be issued to a hotel offering rooms to its guests on an hourly basis. Food service provided for room service, banquets or conferences, or restaurant operation under this license must meet the requirements of rules adopted by the board.
 - (2) The hotel license authorizes the licensee to:
 - (a) Sell spirituous liquor, beer, and wine, by the individual glass, at retail, for consumption on the premises, including mixed drinks and cocktails compounded and mixed on the premises;
 - (b) Sell, at retail, from locked honor bars, in individual units, spirits not to exceed fifty milliliters, beer in individual units not to exceed twelve ounces, and wine in individual bottles not to exceed three hundred eighty-five milliliters, to registered guests of the

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hotel for consumption in guest rooms. The licensee must require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest must also execute an affidavit verifying that no one under twenty-one years of age will have access to the spirits, beer, and wine in the honor bar;

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- (c) Provide without additional charge, to overnight guests, spirits, beer, and wine by the individual serving for on-premises consumption at a specified regular date, time, and place as may be fixed by the board. Self-service by attendees is prohibited;
- (d) Sell beer, including strong beer, wine, or spirits, in the manufacturer's sealed container or by the individual drink to guests through room service, or through service to occupants of private residential units which are part of the buildings or complex of buildings that include the hotel;
- 15 (e) Sell beer, including strong beer, spirits, or wine, in the 16 manufacturer's sealed container at retail sales locations within the 17 hotel premises;
 - (f) Sell beer to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap in the restaurant area by the licensee at the time of sale;
 - (g) Sell for on or off-premises consumption, including through room service and service to occupants of private residential units managed by the hotel, wine carrying a label exclusive to the hotel license holder;
 - (h) Place in guest rooms at check-in, a complimentary bottle of liquor in a manufacturer-sealed container, and make a reference to this service in promotional material.
 - (3) If all or any facilities for alcoholic beverage service and the preparation, cooking, and serving of food are operated under contract or joint venture agreement, the operator may hold a license separate from the license held by the operator of the hotel. Food and beverage inventory used in separate licensed operations at the hotel may not be shared and must be separately owned and stored by the separate licensees.
 - (4) All spirits to be sold under this license must be purchased from a spirits retailer or spirits distributor licensee of the board.
- 38 (5) All ((on-premise [on-premises])) on-premises alcoholic 39 beverage service must be done by an alcohol server as defined in RCW 40 66.20.300 and must comply with RCW 66.20.310.

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

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- (b) The holder of this license must, if requested by the board, notify the board or its designee of the date, time, place, and location of any event. Upon request, the licensee must provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.
- (c) Licensees may cater events on a domestic winery, brewery, or distillery premises.
 - (7) The holder of this license or its manager may furnish spirits, beer, or wine to the licensee's employees who are twenty-one years of age or older free of charge as may be required for use in connection with instruction on spirits, beer, and wine. instruction may include the history, nature, values, characteristics of spirits, beer, or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling spirits, beer, or wine. The licensee must use the liquor it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the licensee and participating employees are considered to be on duty for the purposes of compensation. Licensees and their employees may not sample products in areas where the public is served and may not be engaged in serving alcohol to the public at the same time. In no case may the sampling occur if the licensee or employee is or becomes apparently intoxicated.
 - (8) Minors may be allowed in all areas of the hotel where liquor may be consumed; however, the consumption must be incidental to the primary use of the area. These areas include, but are not limited to, tennis courts, hotel lobbies, and swimming pool areas. If an area is not a mixed use area, and is primarily used for alcohol service, the area must be designated and restricted to access by persons of lawful age to purchase liquor.

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

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

Sec. 5. RCW 66.28.150 and 2007 c 217 s 2 are each amended to read as follows:

A domestic brewery, microbrewery, domestic winery, distillery, distributor, certificate of approval holder, or its licensed agent may, without charge, instruct licensees and their employees, or conduct courses of instruction for licensees and their employees, including chefs, on the subject of beer, wine, or spirituous liquor, including but not limited to, the history, nature, values, and characteristics of beer, wine, or spirituous liquor, the use of wine lists, and the methods of presenting, serving, storing, and handling beer, wine, or spirituous liquor, and what wines go well with different types of food. The domestic brewery, microbrewery, domestic winery, distillery, distributor, certificate of approval holder, or its licensed agent may furnish beer, wine, or spirituous liquor and such other equipment, materials, and utensils as may be required for use in connection with the instruction or courses of instruction. The instruction or courses of instruction may be given at the premises of the domestic brewery, microbrewery, domestic winery, distillery, or authorized representative holding a certificate of approval, at the premises of a retail licensee, or elsewhere within the state of Washington. The participating employees are considered to be on duty for the purposes of compensation. Licensees and their employees may not sample products in areas where the public is served and may not be engaged in serving alcohol to the public at the same time. In no case may the sampling occur if the licensee or employee is or becomes apparently intoxicated.

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