
SUBSTITUTE SENATE BILL 5272

State of Washington

67th Legislature

2021 Regular Session

By Senate Ways & Means (originally sponsored by Senators Rolfes, Frockt, Conway, Das, Dhingra, Keiser, Lovelett, Mullet, Nguyen, Nobles, Randall, Saldaña, Stanford, Wilson, C., and Wilson, J.)

READ FIRST TIME 01/29/21.

1 AN ACT Relating to temporarily waiving certain liquor and
2 cannabis board annual licensing fees; amending RCW 66.24.140,
3 66.24.146, 66.24.170, 66.24.240, 66.24.244, 66.24.320, 66.24.330,
4 66.24.350, 66.24.420, 66.24.495, 66.24.540, 66.24.570, 66.24.580,
5 66.24.590, 66.24.600, 66.24.650, 66.24.655, 66.24.680, and 66.24.690;
6 and declaring an emergency.

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

8 **Sec. 1.** RCW 66.24.140 and 2020 c 238 s 1 are each amended to
9 read as follows:

10 (1) There is a license to distillers, including blending,
11 rectifying, and bottling; fee two thousand dollars per annum, unless
12 provided otherwise as follows:

13 (a) For distillers producing one hundred fifty thousand gallons
14 or less of spirits with at least half of the raw materials used in
15 the production grown in Washington, the license fee must be reduced
16 to one hundred dollars per annum;

17 (b) The board must license stills used and to be used solely and
18 only by a commercial chemist for laboratory purposes, and not for the
19 manufacture of liquor for sale, at a fee of twenty dollars per annum;

1 (c) The board must license stills used and to be used solely and
2 only for laboratory purposes in any school, college, or educational
3 institution in the state, without fee; (~~and~~)

4 (d) The board must license stills that have been duly licensed as
5 fruit and/or wine distilleries by the federal government, used and to
6 be used solely as fruit and/or wine distilleries in the production of
7 fruit brandy and wine spirits, at a fee of two hundred dollars per
8 annum;

9 (e) The annual fees in this subsection (1) are waived for
10 licenses that expire during the 12-month period beginning with the
11 second calendar month after the effective date of this section;

12 (f) The waivers in (e) of this subsection do not apply to any
13 licensee that:

14 (i) Had their license suspended by the board for health and
15 safety violations of state COVID-19 guidelines; or

16 (ii) Received an order of immediate restraint or citation from
17 the department of labor and industries for allowing an employee to
18 perform work where business activity was prohibited in violation of
19 an emergency proclamation of the governor under RCW 43.06.220; and

20 (g) Upon request of the department of revenue, the board and the
21 department of labor and industries must both provide a list of
22 persons that they have determined to be ineligible for a fee waiver
23 under (e) of this subsection for the reasons described in (f) of this
24 subsection. Unless otherwise agreed, any list must be received by the
25 department of revenue no later than 15 calendar days after the
26 request is made.

27 (2) Any distillery licensed under this section may:

28 (a) Sell, for off-premises consumption, spirits of the
29 distillery's own production, spirits produced by another distillery
30 or craft distillery licensed in this state, or vermouth or sparkling
31 wine products produced by a licensee in this state. A distillery
32 selling spirits or other alcohol authorized under this subsection
33 must comply with the applicable laws and rules relating to retailers
34 for those products;

35 (b) Contract distilled spirits for, and sell contract distilled
36 spirits to, holders of distillers' or manufacturers' licenses,
37 including licenses issued under RCW 66.24.520, or for export; and

38 (c) Serve samples of spirits for free or for a charge, and sell
39 servings of spirits, vermouth, and sparkling wine to customers for
40 on-premises consumption, at the premises of the distillery indoors,

1 outdoors, or in any combination thereof, and at the distillery's off-
2 site tasting rooms in accordance with this chapter, subject to the
3 following conditions:

4 (i) A distillery may provide to customers, for free or for a
5 charge, for on-premises consumption, spirits samples that are one-
6 half ounce or less per sample of spirits, and that may be adulterated
7 with water, ice, other alcohol entitled to be served or sold on the
8 licensed premises under this section, or nonalcoholic mixers;

9 (ii) A distillery may sell, for on-premises consumption, servings
10 of spirits of the distillery's own production or spirits produced by
11 another distillery or craft distillery licensed in this state, which
12 must be adulterated with water, ice, other alcohol entitled to be
13 sold or served on the licensed premises, or nonalcoholic mixers if
14 the revenue derived from the sale of spirits for on-premises
15 consumption under this subsection (2)(c)(ii) does not comprise more
16 than thirty percent of the overall gross revenue earned in the
17 tasting room during the calendar year. Any distiller who sells
18 adulterated products under this subsection, must file an annual
19 report with the board that summarizes the distiller's revenue
20 sources; and

21 (iii) A distillery may sell, for on-premises consumption,
22 servings of vermouth or sparkling wine products produced by a
23 licensee in this state.

24 (3)(a) If a distillery provides or sells spirits or other alcohol
25 products authorized to be sold or provided to customers for on-
26 premises or off-premises consumption that are produced by another
27 distillery, craft distillery, or licensee in this state, then at any
28 one time no more than twenty-five percent of the alcohol stock-
29 keeping units offered or sold by the distillery at its distillery
30 premises and at any off-site tasting rooms licensed under RCW
31 66.24.146 may be vermouth, sparkling wine, or spirits made by another
32 distillery, craft distillery, or licensee in this state. If a
33 distillery sells fewer than twenty alcohol stock-keeping units of
34 products of its own production, it may sell up to five alcohol stock-
35 keeping units of vermouth, sparkling wine, or spirits produced by
36 another distillery, craft distillery, or licensee in this state.

37 (b) A person is limited to receiving or purchasing, for on-
38 premises consumption, no more than two ounces total of spirits that
39 are unadulterated. Any additional spirits purchased for on-premises
40 consumption must be adulterated as authorized in this section.

1 (c)(i) No person under twenty-one years of age may be on the
2 premises of a distillery tasting room, including an off-site tasting
3 room licensed under RCW 66.24.146, unless they are accompanied by
4 their parent or legal guardian.

5 (ii) Every distillery tasting room, including the off-site
6 tasting rooms licensed under RCW 66.24.146, where alcohol is sampled,
7 sold, or served, must include a designated area where persons under
8 twenty-one years of age are allowed to enter. Such location may be in
9 a separate room or a designated area within the tasting room
10 separated from the remainder of the tasting room space as authorized
11 by the board.

12 (iii) Except for (c)(iv) of this subsection, or an event where a
13 private party has secured a private banquet permit, no person under
14 twenty-one years of age may be on the distillery premises, or the
15 off-site tasting rooms licensed under RCW 66.24.146, past 9:00 p.m.

16 (iv) Notwithstanding the limitations of (c)(iii) of this
17 subsection, persons under twenty-one years of age who are children of
18 owners, operators, or managers of a distillery or an off-site tasting
19 room licensed under RCW 66.24.146, may be in any area of a
20 distillery, tasting room, or an off-site tasting room licensed under
21 RCW 66.24.146, provided they must be under the direct supervision of
22 their parent or legal guardian while on the premises.

23 (d) Any person serving or selling spirits or other alcohol
24 authorized to be served or sold by a distillery must obtain a class
25 12 alcohol server permit.

26 (e) A distillery may sell nonalcoholic products at retail.

27 **Sec. 2.** RCW 66.24.146 and 2020 c 238 s 3 are each amended to
28 read as follows:

29 (1) There is a tasting room license available to distillery and
30 craft distillery licensees. A tasting room license authorizes the
31 operation of an off-site tasting room, in addition to a tasting room
32 attached to the distillery's or craft distillery's production
33 facility, at which the licensee may sample, serve, and sell spirits
34 and alcohol products authorized to be sampled, served, and sold under
35 RCW 66.24.140 and 66.24.145, for on-premises and off-premises
36 consumption, subject to the same limitations as provided in RCW
37 66.24.140 and 66.24.145.

38 (2)(a) A distillery or craft distillery licensed production
39 facility is eligible for no more than two off-site tasting room

1 licenses located in this state, which may be indoors, or outdoors or
2 a combination thereof, and which shall be administratively tied to a
3 licensed production facility. A separate license is required for the
4 operation of each off-site tasting room. The fee for each off-site
5 tasting room license is two thousand dollars per annum. No additional
6 license is required for a distillery or craft distillery to sample,
7 serve, and sell spirits and alcohol to customers in a tasting room on
8 the distillery or craft distillery premises as authorized under this
9 section, RCW 66.24.1472, 66.24.140, 66.24.145, 66.28.040, 66.24.630,
10 and 66.28.310. Off-site tasting rooms may have a section identified
11 and segregated as federally bonded spaces for the storage of bulk or
12 packaged spirits. Product of the licensee's production may be bottled
13 or packaged in the space.

14 (b) The annual fee in (a) of this subsection is waived for
15 licenses that expire during the 12-month period beginning with the
16 second calendar month after the effective date of this section.

17 (c) The waiver in (b) of this subsection does not apply to any
18 licensee that:

19 (i) Had their license suspended by the board for health and
20 safety violations of state COVID-19 guidelines; or

21 (ii) Received an order of immediate restraint or citation from
22 the department of labor and industries for allowing an employee to
23 perform work where business activity was prohibited in violation of
24 an emergency proclamation of the governor under RCW 43.06.220.

25 (d) Upon request of the department of revenue, the board and the
26 department of labor and industries must both provide a list of
27 persons that they have determined to be ineligible for a fee waiver
28 under (b) of this subsection for the reasons described in (c) of this
29 subsection. Unless otherwise agreed, any list must be received by the
30 department of revenue no later than 15 calendar days after the
31 request is made.

32 **Sec. 3.** RCW 66.24.170 and 2019 c 169 s 1 are each amended to
33 read as follows:

34 (1) (a) There is a license for domestic wineries; fee to be
35 computed only on the liters manufactured: Less than two hundred fifty
36 thousand liters per year, one hundred dollars per year; and two
37 hundred fifty thousand liters or more per year, four hundred dollars
38 per year.

1 (b) The annual fees in (a) of this subsection are waived for
2 licenses that expire during the 12-month period beginning with the
3 second calendar month after the effective date of this section.

4 (c) The waivers in (b) of this subsection do not apply to any
5 licensee that:

6 (i) Had their license suspended by the board for health and
7 safety violations of state COVID-19 guidelines; or

8 (ii) Received an order of immediate restraint or citation from
9 the department of labor and industries for allowing an employee to
10 perform work where business activity was prohibited in violation of
11 an emergency proclamation of the governor under RCW 43.06.220.

12 (d) Upon request of the department of revenue, the board and the
13 department of labor and industries must both provide a list of
14 persons that they have determined to be ineligible for a fee waiver
15 under (b) of this subsection for the reasons described in (c) of this
16 subsection. Unless otherwise agreed, any list must be received by the
17 department of revenue no later than 15 calendar days after the
18 request is made.

19 (2) The license allows for the manufacture of wine in Washington
20 state from grapes or other agricultural products.

21 (3) Any domestic winery licensed under this section may also act
22 as a retailer of wine of its own production. Any domestic winery
23 licensed under this section may act as a distributor of its own
24 production. Notwithstanding any language in this title to the
25 contrary, a domestic winery may use a common carrier to deliver up to
26 one hundred cases of its own production, in the aggregate, per month
27 to licensed Washington retailers. A domestic winery may not arrange
28 for any such common carrier shipments to licensed retailers of wine
29 not of its own production. Except as provided in this section, any
30 winery operating as a distributor and/or retailer under this
31 subsection must comply with the applicable laws and rules relating to
32 distributors and/or retailers, except that a winery operating as a
33 distributor may maintain a warehouse off the premises of the winery
34 for the distribution of wine of its own production provided that: (a)
35 The warehouse has been approved by the board under RCW 66.24.010; and
36 (b) the number of warehouses off the premises of the winery does not
37 exceed one.

38 (4) (a) A domestic winery licensed under this section, at
39 locations separate from any of its production or manufacturing sites,
40 may serve samples of its own products, with or without charge, may

1 sell wine of its own production at retail, and may sell for off-
2 premises consumption wines of its own production in kegs or sanitary
3 containers meeting the applicable requirements of federal law brought
4 to the premises by the purchaser or furnished by the licensee and
5 filled at the tap at the time of sale, provided that: (i) Each
6 additional location has been approved by the board under RCW
7 66.24.010; (ii) the total number of additional locations does not
8 exceed four; (iii) a winery may not act as a distributor at any such
9 additional location; and (iv) any person selling or serving wine at
10 an additional location for on-premises consumption must obtain a
11 class 12 or class 13 alcohol server permit. Each additional location
12 is deemed to be part of the winery license for the purpose of this
13 title. At additional locations operated by multiple wineries under
14 this section, if the board cannot connect a violation of RCW
15 66.44.200 or 66.44.270 to a single licensee, the board may hold all
16 licensees operating the additional location jointly liable. Nothing
17 in this subsection may be construed to prevent a domestic winery from
18 holding multiple domestic winery licenses.

19 (b) A customer of a domestic winery may remove from the premises
20 of the domestic winery or from a tasting room location approved under
21 (a) of this subsection, recorked or recapped in its original
22 container, any portion of wine purchased for on-premises consumption.

23 (5) (a) A domestic winery licensed under this section may apply to
24 the board for an endorsement to sell wine of its own production at
25 retail for off-premises consumption at a qualifying farmers market.
26 The annual fee for this endorsement is seventy-five dollars. An
27 endorsement issued pursuant to this subsection does not count toward
28 the four additional retail locations limit specified in this section.

29 (b) For each month during which a domestic winery will sell wine
30 at a qualifying farmers market, the winery must provide the board or
31 its designee a list of the dates, times, and locations at which
32 bottled wine may be offered for sale. This list must be received by
33 the board before the winery may offer wine for sale at a qualifying
34 farmers market.

35 (c) The wine sold at qualifying farmers markets must be made
36 entirely from grapes grown in a recognized Washington appellation or
37 from other agricultural products grown in this state.

38 (d) Each approved location in a qualifying farmers market is
39 deemed to be part of the winery license for the purpose of this
40 title. The approved locations under an endorsement granted under this

1 subsection include tasting or sampling privileges subject to the
2 conditions pursuant to RCW 66.24.175. The winery may not store wine
3 at a farmers market beyond the hours that the winery offers bottled
4 wine for sale. The winery may not act as a distributor from a farmers
5 market location.

6 (e) Before a winery may sell bottled wine at a qualifying farmers
7 market, the farmers market must apply to the board for authorization
8 for any winery with an endorsement approved under this subsection to
9 sell bottled wine at retail at the farmers market. This application
10 shall include, at a minimum: (i) A map of the farmers market showing
11 all booths, stalls, or other designated locations at which an
12 approved winery may sell bottled wine; and (ii) the name and contact
13 information for the on-site market managers who may be contacted by
14 the board or its designee to verify the locations at which bottled
15 wine may be sold. Before authorizing a qualifying farmers market to
16 allow an approved winery to sell bottled wine at retail at its
17 farmers market location, the board must notify the persons or
18 entities of such application for authorization pursuant to RCW
19 66.24.010 (8) and (9). An authorization granted under this subsection
20 (5)(e) may be withdrawn by the board for any violation of this title
21 or any rules adopted under this title.

22 (f) The board may adopt rules establishing the application and
23 approval process under this section and such additional rules as may
24 be necessary to implement this section.

25 (g) For the purposes of this subsection:

26 (i) "Qualifying farmers market" means an entity that sponsors a
27 regular assembly of vendors at a defined location for the purpose of
28 promoting the sale of agricultural products grown or produced in this
29 state directly to the consumer under conditions that meet the
30 following minimum requirements:

31 (A) There are at least five participating vendors who are farmers
32 selling their own agricultural products;

33 (B) The total combined gross annual sales of vendors who are
34 farmers exceeds the total combined gross annual sales of vendors who
35 are processors or resellers. However, if a farmers market does not
36 satisfy this subsection (5)(g)(i)(B), a farmers market is still
37 considered a "qualifying farmers market" if the total combined gross
38 annual sales of farmers and processors at the farmers market is one
39 million dollars or more;

1 (C) The total combined gross annual sales of vendors who are
2 farmers, processors, or resellers exceeds the total combined gross
3 annual sales of vendors who are not farmers, processors, or
4 resellers;

5 (D) The sale of imported items and secondhand items by any vendor
6 is prohibited; and

7 (E) No vendor is a franchisee.

8 (ii) "Farmer" means a natural person who sells, with or without
9 processing, agricultural products that he or she raises on land he or
10 she owns or leases in this state or in another state's county that
11 borders this state.

12 (iii) "Processor" means a natural person who sells processed food
13 that he or she has personally prepared on land he or she owns or
14 leases in this state or in another state's county that borders this
15 state.

16 (iv) "Reseller" means a natural person who buys agricultural
17 products from a farmer and resells the products directly to the
18 consumer.

19 (6) Wine produced in Washington state by a domestic winery
20 licensee may be shipped out-of-state for the purpose of making it
21 into sparkling wine and then returned to such licensee for resale.
22 Such wine is deemed wine manufactured in the state of Washington for
23 the purposes of RCW 66.24.206, and shall not require a special
24 license.

25 (7) During an event held by a nonprofit holding a special
26 occasion license issued under RCW 66.24.380, a domestic winery
27 licensed under this section may take orders, either in writing or
28 electronically, and accept payment for wines of its own production
29 under the following conditions:

30 (a) Wine produced by the domestic winery may be served for on-
31 premises consumption by the special occasion licensee;

32 (b) The domestic winery delivers wine to the consumer on a date
33 after the conclusion of the special occasion event;

34 (c) The domestic winery delivers wine to the consumer at a
35 location different from the location at which the special occasion
36 event is held;

37 (d) The domestic winery complies with all requirements in chapter
38 66.20 RCW for direct sale of wine to consumers;

39 (e) The wine is not sold for resale; and

1 (f) The domestic winery is entitled to all proceeds from the sale
2 and delivery of its wine to a consumer after the conclusion of the
3 special occasion event, but may enter into an agreement to share a
4 portion of the proceeds of these sales with the special occasion
5 licensee licensed under RCW 66.24.380.

6 **Sec. 4.** RCW 66.24.240 and 2020 c 230 s 1 are each amended to
7 read as follows:

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

11 (b) The annual fee in (a) of this subsection is waived for
12 licenses that expire during the 12-month period beginning with the
13 second calendar month after the effective date of this section.

14 (c) The waiver in (b) of this subsection does not apply to any
15 licensee that:

16 (i) Had their license suspended by the board for health and
17 safety violations of state COVID-19 guidelines; or

18 (ii) Received an order of immediate restraint or citation from
19 the department of labor and industries for allowing an employee to
20 perform work where business activity was prohibited in violation of
21 an emergency proclamation of the governor under RCW 43.06.220.

22 (d) Upon request of the department of revenue, the board and the
23 department of labor and industries must both provide a list of
24 persons that they have determined to be ineligible for a fee waiver
25 under (b) of this subsection for the reasons described in (c) of this
26 subsection. Unless otherwise agreed, any list must be received by the
27 department of revenue no later than 15 calendar days after the
28 request is made.

29 (2) Any domestic brewery, except for a brand owner of malt
30 beverages under RCW 66.04.010(7), licensed under this section may
31 also act as a distributor and/or retailer for beer of its own
32 production. Any domestic brewery operating as a distributor and/or
33 retailer under this subsection shall comply with the applicable laws
34 and rules relating to distributors and/or retailers. A domestic
35 brewery holding a spirits, beer, and wine restaurant license may sell
36 beer of its own production for off-premises consumption from its
37 restaurant premises in kegs or in a sanitary container brought to the
38 premises by the purchaser or furnished by the licensee and filled at
39 the tap by the licensee at the time of sale.

1 (3) Any domestic brewery licensed under this section may also
2 sell beer produced by another domestic brewery or a microbrewery for
3 on and off-premises consumption from its premises as long as the
4 other breweries' brands do not exceed twenty-five percent of the
5 domestic brewery's on-tap offering of its own brands.

6 (4) A domestic brewery may hold up to four retail licenses to
7 operate an on or off-premises tavern, beer and/or wine restaurant,
8 spirits, beer, and wine restaurant, or any combination thereof. This
9 retail license is separate from the brewery license. A brewery that
10 holds a tavern license, a spirits, beer, and wine restaurant license,
11 or a beer and/or wine restaurant license shall hold the same
12 privileges and endorsements as permitted under RCW 66.24.320,
13 66.24.330, and 66.24.420.

14 (5) Any domestic brewery licensed under this section may
15 contract-produce beer for a brand owner of malt beverages defined
16 under RCW 66.04.010(7), and this contract-production is not a sale
17 for the purposes of RCW 66.28.170 and 66.28.180.

18 (6)(a) A domestic brewery licensed under this section and
19 qualified for a reduced rate of taxation pursuant to RCW
20 66.24.290(3)(b) may apply to the board for an endorsement to sell
21 bottled beer of its own production at retail for off-premises
22 consumption at a qualifying farmers market. The annual fee for this
23 endorsement is seventy-five dollars.

24 (b) For each month during which a domestic brewery will sell beer
25 at a qualifying farmers market, the domestic brewery must provide the
26 board or its designee a list of the dates, times, and locations at
27 which bottled beer may be offered for sale. This list must be
28 received by the board before the domestic brewery may offer beer for
29 sale at a qualifying farmers market.

30 (c) The beer sold at qualifying farmers markets must be produced
31 in Washington.

32 (d) Each approved location in a qualifying farmers market is
33 deemed to be part of the domestic brewery license for the purpose of
34 this title. The approved locations under an endorsement granted under
35 this subsection do not include the tasting or sampling privilege of a
36 domestic brewery. The domestic brewery may not store beer at a
37 farmers market beyond the hours that the domestic brewery offers
38 bottled beer for sale. The domestic brewery may not act as a
39 distributor from a farmers market location.

1 (e) Before a domestic brewery may sell bottled beer at a
2 qualifying farmers market, the farmers market must apply to the board
3 for authorization for any domestic brewery with an endorsement
4 approved under this subsection to sell bottled beer at retail at the
5 farmers market. This application shall include, at a minimum: (i) A
6 map of the farmers market showing all booths, stalls, or other
7 designated locations at which an approved domestic brewery may sell
8 bottled beer; and (ii) the name and contact information for the on-
9 site market managers who may be contacted by the board or its
10 designee to verify the locations at which bottled beer may be sold.
11 Before authorizing a qualifying farmers market to allow an approved
12 domestic brewery to sell bottled beer at retail at its farmers market
13 location, the board shall notify the persons or entities of such
14 application for authorization pursuant to RCW 66.24.010 (8) and (9).
15 An authorization granted under this subsection (6)(e) may be
16 withdrawn by the board for any violation of this title or any rules
17 adopted under this title.

18 (f) The board may adopt rules establishing the application and
19 approval process under this section and such additional rules as may
20 be necessary to implement this section.

21 (g) For the purposes of this subsection:

22 (i) "Qualifying farmers market" means an entity that sponsors a
23 regular assembly of vendors at a defined location for the purpose of
24 promoting the sale of agricultural products grown or produced in this
25 state directly to the consumer under conditions that meet the
26 following minimum requirements:

27 (A) There are at least five participating vendors who are farmers
28 selling their own agricultural products;

29 (B) The total combined gross annual sales of vendors who are
30 farmers exceeds the total combined gross annual sales of vendors who
31 are processors or resellers;

32 (C) The total combined gross annual sales of vendors who are
33 farmers, processors, or resellers exceeds the total combined gross
34 annual sales of vendors who are not farmers, processors, or
35 resellers;

36 (D) The sale of imported items and secondhand items by any vendor
37 is prohibited; and

38 (E) No vendor is a franchisee.

39 (ii) "Farmer" means a natural person who sells, with or without
40 processing, agricultural products that he or she raises on land he or

1 she owns or leases in this state or in another state's county that
2 borders this state.

3 (iii) "Processor" means a natural person who sells processed food
4 that he or she has personally prepared on land he or she owns or
5 leases in this state or in another state's county that borders this
6 state.

7 (iv) "Reseller" means a natural person who buys agricultural
8 products from a farmer and resells the products directly to the
9 consumer.

10 (7) The state board of health shall adopt rules to allow dogs on
11 the premises of licensed domestic breweries that do not provide food
12 service subject to a food service permit requirement.

13 **Sec. 5.** RCW 66.24.244 and 2020 c 230 s 2 are each amended to
14 read as follows:

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

18 (b) The annual fee in (a) of this subsection is waived for
19 licenses that expire during the 12-month period beginning with the
20 second calendar month after the effective date of this section.

21 (c) The waiver in (b) of this subsection does not apply to any
22 licensee that:

23 (i) Had their license suspended by the board for health and
24 safety violations of state COVID-19 guidelines; or

25 (ii) Received an order of immediate restraint or citation from
26 the department of labor and industries for allowing an employee to
27 perform work where business activity was prohibited in violation of
28 an emergency proclamation of the governor under RCW 43.06.220.

29 (d) Upon request of the department of revenue, the board and the
30 department of labor and industries must both provide a list of
31 persons that they have determined to be ineligible for a fee waiver
32 under (b) of this subsection for the reasons described in (c) of this
33 subsection. Unless otherwise agreed, any list must be received by the
34 department of revenue no later than 15 calendar days after the
35 request is made.

36 (2)(a) Any microbrewery licensed under this section may also act
37 as a distributor and/or retailer for beer and strong beer of its own
38 production.

1 (b) Any microbrewery operating as a distributor and/or retailer
2 under this subsection must comply with the applicable laws and rules
3 relating to distributors and/or retailers, except that a microbrewery
4 operating as a distributor may maintain a warehouse off the premises
5 of the microbrewery for the distribution of beer provided that:

6 (i) The warehouse has been approved by the board under RCW
7 66.24.010; and

8 (ii) The number of warehouses off the premises of the
9 microbrewery does not exceed one.

10 (c) A microbrewery holding a spirits, beer, and wine restaurant
11 license may sell beer of its own production for off-premises
12 consumption from its restaurant premises in kegs or in a sanitary
13 container brought to the premises by the purchaser or furnished by
14 the licensee and filled at the tap by the licensee at the time of
15 sale.

16 (3) Any microbrewery licensed under this section may also sell
17 from its premises for on-premises and off-premises consumption:

18 (a) Beer produced by another microbrewery or a domestic brewery
19 as long as the other breweries' brands do not exceed twenty-five
20 percent of the microbrewery's on-tap offerings; or

21 (b) Cider produced by a domestic winery.

22 (4) The board may issue up to four retail licenses allowing a
23 microbrewery to operate an on or off-premises tavern, beer and/or
24 wine restaurant, spirits, beer, and wine restaurant, or any
25 combination thereof.

26 (5) A microbrewery that holds a tavern license, spirits, beer,
27 and wine restaurant license, or a beer and/or wine restaurant license
28 holds the same privileges and endorsements as permitted under RCW
29 66.24.320, 66.24.330, and 66.24.420.

30 (6) (a) A microbrewery licensed under this section may apply to
31 the board for an endorsement to sell bottled beer of its own
32 production at retail for off-premises consumption at a qualifying
33 farmers market. The annual fee for this endorsement is seventy-five
34 dollars. However, strong beer may not be sold at a farmers market or
35 under any endorsement which may authorize microbreweries to sell beer
36 at farmers markets.

37 (b) For each month during which a microbrewery will sell beer at
38 a qualifying farmers market, the microbrewery must provide the board
39 or its designee a list of the dates, times, and locations at which
40 bottled beer may be offered for sale. This list must be received by

1 the board before the microbrewery may offer beer for sale at a
2 qualifying farmers market.

3 (c) Any person selling or serving beer must obtain a class 12 or
4 class 13 alcohol server permit.

5 (d) The beer sold at qualifying farmers markets must be produced
6 in Washington.

7 (e) Each approved location in a qualifying farmers market is
8 deemed to be part of the microbrewery license for the purpose of this
9 title. The approved locations under an endorsement granted under this
10 subsection (6) include tasting or sampling privileges subject to the
11 conditions pursuant to RCW 66.24.175. The microbrewery may not store
12 beer at a farmers market beyond the hours that the microbrewery
13 offers bottled beer for sale. The microbrewery may not act as a
14 distributor from a farmers market location.

15 (f) Before a microbrewery may sell bottled beer at a qualifying
16 farmers market, the farmers market must apply to the board for
17 authorization for any microbrewery with an endorsement approved under
18 this subsection (6) to sell bottled beer at retail at the farmers
19 market. This application must include, at a minimum: (i) A map of the
20 farmers market showing all booths, stalls, or other designated
21 locations at which an approved microbrewery may sell bottled beer;
22 and (ii) the name and contact information for the on-site market
23 managers who may be contacted by the board or its designee to verify
24 the locations at which bottled beer may be sold. Before authorizing a
25 qualifying farmers market to allow an approved microbrewery to sell
26 bottled beer at retail at its farmers market location, the board must
27 notify the persons or entities of the application for authorization
28 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under
29 this subsection (6)(f) may be withdrawn by the board for any
30 violation of this title or any rules adopted under this title.

31 (g) The board may adopt rules establishing the application and
32 approval process under this section and any additional rules
33 necessary to implement this section.

34 (h) For the purposes of this subsection (6):

35 (i) "Qualifying farmers market" has the same meaning as defined
36 in RCW 66.24.170.

37 (ii) "Farmer" means a natural person who sells, with or without
38 processing, agricultural products that he or she raises on land he or
39 she owns or leases in this state or in another state's county that
40 borders this state.

1 (iii) "Processor" means a natural person who sells processed food
2 that he or she has personally prepared on land he or she owns or
3 leases in this state or in another state's county that borders this
4 state.

5 (iv) "Reseller" means a natural person who buys agricultural
6 products from a farmer and resells the products directly to the
7 consumer.

8 (7) Any microbrewery licensed under this section may
9 contract-produce beer for another microbrewer. This contract-
10 production is not a sale for the purposes of RCW 66.28.170 and
11 66.28.180.

12 (8) The state board of health shall adopt rules to allow dogs on
13 the premises of licensed microbreweries that do not provide food
14 service subject to a food service permit requirement.

15 **Sec. 6.** RCW 66.24.320 and 2019 c 169 s 2 are each amended to
16 read as follows:

17 There shall be a beer and/or wine restaurant license to sell
18 beer, including strong beer, or wine, or both, at retail, for
19 consumption on the premises. A patron of the licensee may remove from
20 the premises, recorked or recapped in its original container, any
21 portion of wine or sake that was purchased for consumption with a
22 meal.

23 (1) (a) The annual fee shall be two hundred dollars for the beer
24 license, two hundred dollars for the wine license, or four hundred
25 dollars for a combination beer and wine license.

26 (b) The annual fees in (a) of this subsection are waived for
27 licenses that expire during the 12-month period beginning with the
28 second calendar month after the effective date of this section.

29 (c) The waivers in (b) of this subsection do not apply to any
30 licensee that:

31 (i) Had their license suspended by the board for health and
32 safety violations of state COVID-19 guidelines; or

33 (ii) Received an order of immediate restraint or citation from
34 the department of labor and industries for allowing an employee to
35 perform work where business activity was prohibited in violation of
36 an emergency proclamation of the governor under RCW 43.06.220.

37 (d) Upon request of the department of revenue, the board and the
38 department of labor and industries must both provide a list of
39 persons that they have determined to be ineligible for a fee waiver

1 under (b) of this subsection for the reasons described in (c) of this
2 subsection. Unless otherwise agreed, any list must be received by the
3 department of revenue no later than 15 calendar days after the
4 request is made.

5 (2) (a) The board may issue a caterer's endorsement to this
6 license to allow the licensee to remove from the liquor stocks at the
7 licensed premises, only those types of liquor that are authorized
8 under the on-premises license privileges for sale and service at
9 event locations at a specified date and, except as provided in
10 subsection (3) of this section, place not currently licensed by the
11 board. If the event is open to the public, it must be sponsored by a
12 society or organization as defined by RCW 66.24.375. If attendance at
13 the event is limited to members or invited guests of the sponsoring
14 individual, society, or organization, the requirement that the
15 sponsor must be a society or organization as defined by RCW 66.24.375
16 is waived. Cost of the endorsement is three hundred fifty dollars.

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

23 (c) The holder of this license with a caterer's endorsement may,
24 under conditions established by the board, store liquor on the
25 premises of another not licensed by the board so long as there is a
26 written agreement between the licensee and the other party to provide
27 for ongoing catering services, the agreement contains no exclusivity
28 clauses regarding the alcoholic beverages to be served, and the
29 agreement is filed with the board.

30 (d) The holder of this license with a caterer's endorsement may,
31 under conditions established by the board, store liquor on other
32 premises operated by the licensee so long as the other premises are
33 owned or controlled by a leasehold interest by that licensee. A
34 duplicate license may be issued for each additional premises. A
35 license fee of twenty dollars shall be required for such duplicate
36 licenses.

37 (3) Licensees under this section that hold a caterer's
38 endorsement are allowed to use this endorsement on a domestic winery
39 premises or on the premises of a passenger vessel and may store

1 liquor at such premises under conditions established by the board
2 under the following conditions:

3 (a) Agreements between the domestic winery or the passenger
4 vessel, as the case may be, and the retail licensee shall be in
5 writing, contain no exclusivity clauses regarding the alcoholic
6 beverages to be served, and be filed with the board; and

7 (b) The domestic winery or passenger vessel, as the case may be,
8 and the retail licensee shall be separately contracted and
9 compensated by the persons sponsoring the event for their respective
10 services.

11 (4) The holder of this license or its manager may furnish beer or
12 wine to the licensee's employees free of charge as may be required
13 for use in connection with instruction on beer and wine. The
14 instruction may include the history, nature, values, and
15 characteristics of beer or wine, the use of wine lists, and the
16 methods of presenting, serving, storing, and handling beer or wine.
17 The beer and/or wine licensee must use the beer or wine it obtains
18 under its license for the sampling as part of the instruction. The
19 instruction must be given on the premises of the beer and/or wine
20 licensee.

21 (5) If the license is issued to a person who contracts with the
22 Washington state ferry system to provide food and alcohol service on
23 a designated ferry route, the license shall cover any vessel assigned
24 to the designated route. A separate license is required for each
25 designated ferry route.

26 **Sec. 7.** RCW 66.24.330 and 2017 c 252 s 1 are each amended to
27 read as follows:

28 (1) There is a beer and wine retailer's license to be designated
29 as a tavern license to sell beer, including strong beer, or wine, or
30 both, at retail, for consumption on the premises. Such licenses may
31 be issued only to a person operating a tavern that may be frequented
32 only by persons twenty-one years of age and older.

33 (2) (a) The annual fee for the license is two hundred dollars for
34 the beer license, two hundred dollars for the wine license, or four
35 hundred dollars for a combination beer and wine license. Licensees
36 who have a fee increase of more than one hundred dollars as a result
37 of this change shall have their fees increased fifty percent of the
38 amount the first renewal year and the remaining amount beginning with

1 the second renewal period. New licensees obtaining a license after
2 July 1, 1998, must pay the full amount of four hundred dollars.

3 (b) The annual fees in (a) of this subsection are waived for
4 licenses that expire during the 12-month period beginning with the
5 second calendar month after the effective date of this section.

6 (c) The waivers in (b) of this subsection do not apply to any
7 licensee that:

8 (i) Had their license suspended by the board for health and
9 safety violations of state COVID-19 guidelines; or

10 (ii) Received an order of immediate restraint or citation from
11 the department of labor and industries for allowing an employee to
12 perform work where business activity was prohibited in violation of
13 an emergency proclamation of the governor under RCW 43.06.220.

14 (d) Upon request of the department of revenue, the board and the
15 department of labor and industries must both provide a list of
16 persons that they have determined to be ineligible for a fee waiver
17 under (b) of this subsection for the reasons described in (c) of this
18 subsection. Unless otherwise agreed, any list must be received by the
19 department of revenue no later than 15 calendar days after the
20 request is made.

21 (3) (a) The board may issue a caterer's endorsement to this
22 license to allow the licensee to remove from the liquor stocks at the
23 licensed premises, only those types of liquor that are authorized
24 under the on-premises license privileges for sale and service at
25 event locations at a specified date and, except as provided in
26 subsection (4) of this section, place not currently licensed by the
27 board. If the event is open to the public, it must be sponsored by a
28 society or organization as defined by RCW 66.24.375. If attendance at
29 the event is limited to members or invited guests of the sponsoring
30 individual, society, or organization, the requirement that the
31 sponsor must be a society or organization as defined by RCW 66.24.375
32 is waived. Cost of the endorsement is three hundred fifty dollars.

33 (b) The holder of this license with a catering endorsement must,
34 if requested by the board, notify the board or its designee of the
35 date, time, place, and location of any catered event. Upon request,
36 the licensee must provide to the board all necessary or requested
37 information concerning the society or organization that will be
38 holding the function at which the endorsed license will be utilized.

39 (c) The holder of this license with a caterer's endorsement may,
40 under conditions established by the board, store liquor on the

1 premises of another not licensed by the board so long as there is a
2 written agreement between the licensee and the other party to provide
3 for ongoing catering services, the agreement contains no exclusivity
4 clauses regarding the alcoholic beverages to be served, and the
5 agreement is filed with the board.

6 (d) The holder of this license with a caterer's endorsement may,
7 under conditions established by the board, store liquor on other
8 premises operated by the licensee so long as the other premises are
9 owned or controlled by a leasehold interest by that licensee. A
10 duplicate license may be issued for each additional premises. A
11 license fee of twenty dollars is required for such duplicate
12 licenses.

13 (4) Licensees under this section that hold a caterer's
14 endorsement are allowed to use this endorsement on a domestic winery
15 premises and may store liquor at such premises under conditions
16 established by the board under the following conditions:

17 (a) Agreements between the domestic winery and the retail
18 licensee must be in writing, contain no exclusivity clauses regarding
19 the alcoholic beverages to be served, and be filed with the board;
20 and

21 (b) The domestic winery and the retail licensee may be separately
22 contracted and compensated by the persons sponsoring the event for
23 their respective services.

24 (5) The holder of this license or its manager may furnish beer or
25 wine to the licensee's employees free of charge as may be required
26 for use in connection with instruction on beer and wine. The
27 instruction may include the history, nature, values, and
28 characteristics of beer or wine, the use of wine lists, and the
29 methods of presenting, serving, storing, and handling beer or wine.
30 The tavern licensee must use the beer or wine it obtains under its
31 license for the sampling as part of the instruction. The instruction
32 must be given on the premises of the tavern licensee.

33 (6) Any person serving liquor at a catered event on behalf of a
34 licensee with a caterer's endorsement under this section must be an
35 employee of the licensee and must possess a class 12 alcohol server
36 permit as required under RCW 66.20.310.

37 (7) The board may issue rules as necessary to implement the
38 requirements of this section.

1 **Sec. 8.** RCW 66.24.350 and 1997 c 321 s 20 are each amended to
2 read as follows:

3 (1) There shall be a beer retailer's license to be designated as
4 a snack bar license to sell beer by the opened bottle or can at
5 retail, for consumption upon the premises only, such license to be
6 issued to places where the sale of beer is not the principal business
7 conducted; fee one hundred twenty-five dollars per year.

8 (2) (a) The annual fee in subsection (1) of this section is waived
9 for licenses that expire during the 12-month period beginning with
10 the second calendar month after the effective date of this section.

11 (b) The waiver in (a) of this subsection does not apply to any
12 licensee that:

13 (i) Had their license suspended by the board for health and
14 safety violations of state COVID-19 guidelines; or

15 (ii) Received an order of immediate restraint or citation from
16 the department of labor and industries for allowing an employee to
17 perform work where business activity was prohibited in violation of
18 an emergency proclamation of the governor under RCW 43.06.220.

19 (c) Upon request of the department of revenue, the board and the
20 department of labor and industries must both provide a list of
21 persons that they have determined to be ineligible for a fee waiver
22 under (a) of this subsection for the reasons described in (b) of this
23 subsection. Unless otherwise agreed, any list must be received by the
24 department of revenue no later than 15 calendar days after the
25 request is made.

26 **Sec. 9.** RCW 66.24.420 and 2009 c 271 s 7 are each amended to
27 read as follows:

28 (1) The spirits, beer, and wine restaurant license shall be
29 issued in accordance with the following schedule of annual fees:

30 (a) The annual fee for a spirits, beer, and wine restaurant
31 license shall be graduated according to the dedicated dining area and
32 type of service provided as follows:

33	Less than 50% dedicated dining area	\$2,000
34	50% or more dedicated dining area	\$1,600
35	Service bar only	\$1,000

36 (b) The annual fee for the license when issued to any other
37 spirits, beer, and wine restaurant licensee outside of incorporated

1 cities and towns shall be prorated according to the calendar
2 quarters, or portion thereof, during which the licensee is open for
3 business, except in case of suspension or revocation of the license.

4 (c) Where the license shall be issued to any corporation,
5 association or person operating a bona fide restaurant in an airport
6 terminal facility providing service to transient passengers with more
7 than one place where liquor is to be dispensed and sold, such license
8 shall be issued upon the payment of the annual fee, which shall be a
9 master license and shall permit such sale within and from one such
10 place. Such license may be extended to additional places on the
11 premises at the discretion of the board and a duplicate license may
12 be issued for each such additional place. The holder of a master
13 license for a restaurant in an airport terminal facility must
14 maintain in a substantial manner at least one place on the premises
15 for preparing, cooking, and serving of complete meals, and such food
16 service shall be available on request in other licensed places on the
17 premises. An additional license fee of twenty-five percent of the
18 annual master license fee shall be required for such duplicate
19 licenses.

20 (d) Where the license shall be issued to any corporation,
21 association, or person operating dining places at a publicly or
22 privately owned civic or convention center with facilities for
23 sports, entertainment, or conventions, or a combination thereof, with
24 more than one place where liquor is to be dispensed and sold, such
25 license shall be issued upon the payment of the annual fee, which
26 shall be a master license and shall permit such sale within and from
27 one such place. Such license may be extended to additional places on
28 the premises at the discretion of the board and a duplicate license
29 may be issued for each such additional place. The holder of a master
30 license for a dining place at such a publicly or privately owned
31 civic or convention center must maintain in a substantial manner at
32 least one place on the premises for preparing, cooking, and serving
33 of complete meals, and food service shall be available on request in
34 other licensed places on the premises. An additional license fee of
35 ten dollars shall be required for such duplicate licenses.

36 (e) The annual fees in this subsection (1) are waived for
37 licenses that expire during the 12-month period beginning with the
38 second calendar month after the effective date of this section.

39 (f) The waivers in (e) of this subsection do not apply to any
40 licensee that:

1 (i) Had their license suspended by the board for health and
2 safety violations of state COVID-19 guidelines; or

3 (ii) Received an order of immediate restraint or citation from
4 the department of labor and industries for allowing an employee to
5 perform work where business activity was prohibited in violation of
6 an emergency proclamation of the governor under RCW 43.06.220.

7 (g) Upon request of the department of revenue, the board and the
8 department of labor and industries must both provide a list of
9 persons that they have determined to be ineligible for a fee waiver
10 under (e) of this subsection for the reasons described in (f) of this
11 subsection. Unless otherwise agreed, any list must be received by the
12 department of revenue no later than 15 calendar days after the
13 request is made.

14 (2) The board, so far as in its judgment is reasonably possible,
15 shall confine spirits, beer, and wine restaurant licenses to the
16 business districts of cities and towns and other communities, and not
17 grant such licenses in residential districts, nor within the
18 immediate vicinity of schools, without being limited in the
19 administration of this subsection to any specific distance
20 requirements.

21 (3) The board shall have discretion to issue spirits, beer, and
22 wine restaurant licenses outside of cities and towns in the state of
23 Washington. The purpose of this subsection is to enable the board, in
24 its discretion, to license in areas outside of cities and towns and
25 other communities, establishments which are operated and maintained
26 primarily for the benefit of tourists, vacationers and travelers, and
27 also golf and country clubs, and common carriers operating dining,
28 club and buffet cars, or boats.

29 (4) The combined total number of spirits, beer, and wine
30 nightclub licenses, and spirits, beer, and wine restaurant licenses
31 issued in the state of Washington by the board, not including
32 spirits, beer, and wine private club licenses, shall not in the
33 aggregate at any time exceed one license for each one thousand two
34 hundred of population in the state, determined according to the
35 yearly population determination developed by the office of financial
36 management pursuant to RCW 43.62.030.

37 (5) Notwithstanding the provisions of subsection (4) of this
38 section, the board shall refuse a spirits, beer, and wine restaurant
39 license to any applicant if in the opinion of the board the spirits,

1 beer, and wine restaurant licenses already granted for the particular
2 locality are adequate for the reasonable needs of the community.

3 (6) (a) The board may issue a caterer's endorsement to this
4 license to allow the licensee to remove the liquor stocks at the
5 licensed premises, for use as liquor for sale and service at event
6 locations at a specified date and, except as provided in subsection
7 (7) of this section, place not currently licensed by the board. If
8 the event is open to the public, it must be sponsored by a society or
9 organization as defined by RCW 66.24.375. If attendance at the event
10 is limited to members or invited guests of the sponsoring individual,
11 society, or organization, the requirement that the sponsor must be a
12 society or organization as defined by RCW 66.24.375 is waived. Cost
13 of the endorsement is three hundred fifty dollars.

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

20 (c) The holder of this license with a caterer's endorsement may,
21 under conditions established by the board, store liquor on the
22 premises of another not licensed by the board so long as there is a
23 written agreement between the licensee and the other party to provide
24 for ongoing catering services, the agreement contains no exclusivity
25 clauses regarding the alcoholic beverages to be served, and the
26 agreement is filed with the board.

27 (d) The holder of this license with a caterer's endorsement may,
28 under conditions established by the board, store liquor on other
29 premises operated by the licensee so long as the other premises are
30 owned or controlled by a leasehold interest by that licensee. A
31 duplicate license may be issued for each additional premises. A
32 license fee of twenty dollars shall be required for such duplicate
33 licenses.

34 (7) Licensees under this section that hold a caterer's
35 endorsement are allowed to use this endorsement on a domestic winery
36 premises or on the premises of a passenger vessel and may store
37 liquor at such premises under conditions established by the board
38 under the following conditions:

39 (a) Agreements between the domestic winery or passenger vessel,
40 as the case may be, and the retail licensee shall be in writing,

1 contain no exclusivity clauses regarding the alcoholic beverages to
2 be served, and be filed with the board; and

3 (b) The domestic winery or passenger vessel, as the case may be,
4 and the retail licensee shall be separately contracted and
5 compensated by the persons sponsoring the event for their respective
6 services.

7 **Sec. 10.** RCW 66.24.495 and 1997 c 321 s 33 are each amended to
8 read as follows:

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

18 (b) The annual fee in (a) of this subsection is waived for
19 licenses that expire during the 12-month period beginning with the
20 second calendar month after the effective date of this section.

21 (c) The waiver in (b) of this subsection does not apply to any
22 licensee that:

23 (i) Had their license suspended by the board for health and
24 safety violations of state COVID-19 guidelines; or

25 (ii) Received an order of immediate restraint or citation from
26 the department of labor and industries for allowing an employee to
27 perform work where business activity was prohibited in violation of
28 an emergency proclamation of the governor under RCW 43.06.220.

29 (d) Upon request of the department of revenue, the board and the
30 department of labor and industries must both provide a list of
31 persons that they have determined to be ineligible for a fee waiver
32 under (b) of this subsection for the reasons described in (c) of this
33 subsection. Unless otherwise agreed, any list must be received by the
34 department of revenue no later than 15 calendar days after the
35 request is made.

36 (2) For the purposes of this section, the term "nonprofit arts
37 organization" means an organization which is organized and operated
38 for the purpose of providing artistic or cultural exhibitions,
39 presentations, or performances or cultural or art education programs,

1 as defined in subsection (3) of this section, for viewing or
2 attendance by the general public. The organization must be a not-for-
3 profit corporation under chapter 24.03 RCW and managed by a governing
4 board of not less than eight individuals none of whom is a paid
5 employee of the organization or by a corporation sole under chapter
6 24.12 RCW. In addition, the corporation must satisfy the following
7 conditions:

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

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

15 (c) Assets of the corporation must be irrevocably dedicated to
16 the activities for which the license is granted and, on the
17 liquidation, dissolution, or abandonment by the corporation, may not
18 inure directly or indirectly to the benefit of any member or
19 individual except a nonprofit organization, association, or
20 corporation;

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

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

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

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

31 (3) The term "artistic or cultural exhibitions, presentations, or
32 performances or cultural or art education programs" includes and is
33 limited to:

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

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

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

4 **Sec. 11.** RCW 66.24.540 and 2012 c 2 s 114 are each amended to
5 read as follows:

6 (1) There is a retailer's license to be designated as a motel
7 license. The motel license may be issued to a motel regardless of
8 whether it holds any other class of license under this title. No
9 license may be issued to a motel offering rooms to its guests on an
10 hourly basis. The license authorizes the licensee to:

11 (a) Sell, at retail, in locked honor bars, spirits in individual
12 bottles not to exceed fifty milliliters, beer in individual cans or
13 bottles not to exceed twelve ounces, and wine in individual bottles
14 not to exceed one hundred eighty-seven milliliters, to registered
15 guests of the motel for consumption in guest rooms.

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

18 (ii) All spirits to be sold under the license must be purchased
19 from a spirits retailer or a spirits distributor licensee of the
20 board.

21 (iii) The licensee must require proof of age from the guest
22 renting a guest room and requesting the use of an honor bar. The
23 guest must also execute an affidavit verifying that no one under
24 twenty-one years of age has access to the spirits, beer, and wine in
25 the honor bar.

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

32 (2) (a) The annual fee for a motel license is five hundred
33 dollars.

34 (b) The annual fee in (a) of this subsection is waived for
35 licenses that expire during the 12-month period beginning with the
36 second calendar month after the effective date of this section.

37 (c) The waiver in (b) of this subsection does not apply to any
38 licensee that:

1 (i) Had their license suspended by the board for health and
2 safety violations of state COVID-19 guidelines; or

3 (ii) Received an order of immediate restraint or citation from
4 the department of labor and industries for allowing an employee to
5 perform work where business activity was prohibited in violation of
6 an emergency proclamation of the governor under RCW 43.06.220.

7 (d) Upon request of the department of revenue, the board and the
8 department of labor and industries must both provide a list of
9 persons that they have determined to be ineligible for a fee waiver
10 under (b) of this subsection for the reasons described in (c) of this
11 subsection. Unless otherwise agreed, any list must be received by the
12 department of revenue no later than 15 calendar days after the
13 request is made.

14 (3) For the purposes of this section, "motel" means a transient
15 accommodation licensed under chapter 70.62 RCW.

16 **Sec. 12.** RCW 66.24.570 and 2011 c 119 s 205 are each amended to
17 read as follows:

18 (1)(a) There is a license for sports entertainment facilities to
19 be designated as a sports entertainment facility license to sell
20 beer, wine, and spirits at retail, for consumption upon the premises
21 only, the license to be issued to the entity providing food and
22 beverage service at a sports entertainment facility as defined in
23 this section. The cost of the license is two thousand five hundred
24 dollars per annum.

25 (b) The annual fee in (a) of this subsection is waived for
26 licenses that expire during the 12-month period beginning with the
27 second calendar month after the effective date of this section.

28 (c) The waiver in (b) of this subsection does not apply to any
29 licensee that:

30 (i) Had their license suspended by the board for health and
31 safety violations of state COVID-19 guidelines; or

32 (ii) Received an order of immediate restraint or citation from
33 the department of labor and industries for allowing an employee to
34 perform work where business activity was prohibited in violation of
35 an emergency proclamation of the governor under RCW 43.06.220.

36 (d) Upon request of the department of revenue, the board and the
37 department of labor and industries must both provide a list of
38 persons that they have determined to be ineligible for a fee waiver
39 under (b) of this subsection for the reasons described in (c) of this

1 subsection. Unless otherwise agreed, any list must be received by the
2 department of revenue no later than 15 calendar days after the
3 request is made.

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

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

18 (4) (a) The board may issue a caterer's endorsement to the license
19 under this section to allow the licensee to remove from the liquor
20 stocks at the licensed premises, for use as liquor for sale and
21 service at event locations at a specified date and place not
22 currently licensed by the board. If the event is open to the public,
23 it must be sponsored by a society or organization as defined by RCW
24 66.24.375. If attendance at the event is limited to members or
25 invited guests of the sponsoring individual, society, or
26 organization, the requirement that the sponsor must be a society or
27 organization as defined by RCW 66.24.375 is waived. Cost of the
28 endorsement is three hundred fifty dollars.

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

35 (5) The board may issue an endorsement to the beer, wine, and
36 spirits sports entertainment facility license that allows the holder
37 of a beer, wine, and spirits sports entertainment facility license to
38 sell for off-premises consumption wine vinted and bottled in the
39 state of Washington and carrying a label exclusive to the license
40 holder selling the wine. Spirits and beer may not be sold for off-

1 premises consumption under this section. The annual fee for the
2 endorsement under this section is one hundred twenty dollars.

3 (6) (a) A licensee and an affiliated business may enter into
4 arrangements with a manufacturer, importer, or distributor for brand
5 advertising at the sports entertainment facility or promotion of
6 events held at the sports entertainment facility, with a capacity of
7 five thousand people or more. The financial arrangements providing
8 for the brand advertising or promotion of events shall not be used as
9 an inducement to purchase the products of the manufacturer, importer,
10 or distributor entering into the arrangement nor shall it result in
11 the exclusion of brands or products of other companies.

12 (b) The arrangements allowed under this subsection (6) are an
13 exception to arrangements prohibited under RCW 66.28.305. The board
14 shall monitor the impacts of these arrangements. The board may
15 conduct audits of the licensee and the affiliated business to
16 determine compliance with this subsection (6). Audits may include but
17 are not limited to product selection at the facility; purchase
18 patterns of the licensee; contracts with the liquor manufacturer,
19 importer, or distributor; and the amount allocated or used for liquor
20 advertising by the licensee, affiliated business, manufacturer,
21 importer, or distributor under the arrangements.

22 (c) The board shall report to the appropriate committees of the
23 legislature by December 30, 2008, and biennially thereafter, on the
24 impacts of arrangements allowed between sports entertainment
25 licensees and liquor manufacturers, importers, and distributors for
26 brand advertising and promotion of events at the facility.

27 **Sec. 13.** RCW 66.24.580 and 2011 c 119 s 206 are each amended to
28 read as follows:

29 (1) A public house license allows the licensee:

30 (a) To annually manufacture no less than two hundred fifty
31 gallons and no more than two thousand four hundred barrels of beer on
32 the licensed premises;

33 (b) To sell product, that is produced on the licensed premises,
34 at retail on the licensed premises for consumption on the licensed
35 premises;

36 (c) To sell beer or wine not of its own manufacture for
37 consumption on the licensed premises if the beer or wine has been
38 purchased from a licensed beer or wine wholesaler;

1 (d) To apply for and, if qualified and upon the payment of the
2 appropriate fee, be licensed as a spirits, beer, and wine restaurant
3 to do business at the same location. This fee is in addition to the
4 fee charged for the basic public house license.

5 (2) RCW 66.28.305 applies to a public house license.

6 (3) A public house licensee must pay all applicable taxes on
7 production as are required by law, and all appropriate taxes must be
8 paid for any product sold at retail on the licensed premises.

9 (4) The employees of the licensee must comply with the provisions
10 of mandatory server training in RCW 66.20.300 through 66.20.350.

11 (5) The holder of a public house license may not hold a
12 wholesaler's or importer's license, act as the agent of another
13 manufacturer, wholesaler, or importer, or hold a brewery or winery
14 license.

15 (6) (a) The annual license fee for a public house is one thousand
16 dollars.

17 (b) The annual fee in (a) of this subsection is waived for
18 licenses that expire during the 12-month period beginning with the
19 second calendar month after the effective date of this section.

20 (c) The waiver in (b) of this subsection does not apply to any
21 licensee that:

22 (i) Had their license suspended by the board for health and
23 safety violations of state COVID-19 guidelines; or

24 (ii) Received an order of immediate restraint or citation from
25 the department of labor and industries for allowing an employee to
26 perform work where business activity was prohibited in violation of
27 an emergency proclamation of the governor under RCW 43.06.220.

28 (d) Upon request of the department of revenue, the board and the
29 department of labor and industries must both provide a list of
30 persons that they have determined to be ineligible for a fee waiver
31 under (b) of this subsection for the reasons described in (c) of this
32 subsection. Unless otherwise agreed, any list must be received by the
33 department of revenue no later than 15 calendar days after the
34 request is made.

35 (7) The holder of a public house license may hold other licenses
36 at other locations if the locations are approved by the board.

37 (8) Existing holders of annual retail liquor licenses may apply
38 for and, if qualified, be granted a public house license at one or
39 more of their existing liquor licensed locations without
40 discontinuing business during the application or construction stages.

1 **Sec. 14.** RCW 66.24.590 and 2012 c 2 s 115 are each amended to
2 read as follows:

3 (1) There is a retailer's license to be designated as a hotel
4 license. No license may be issued to a hotel offering rooms to its
5 guests on an hourly basis. Food service provided for room service,
6 banquets or conferences, or restaurant operation under this license
7 must meet the requirements of rules adopted by the board.

8 (2) The hotel license authorizes the licensee to:

9 (a) Sell spirituous liquor, beer, and wine, by the individual
10 glass, at retail, for consumption on the premises, including mixed
11 drinks and cocktails compounded and mixed on the premises;

12 (b) Sell, at retail, from locked honor bars, in individual units,
13 spirits not to exceed fifty milliliters, beer in individual units not
14 to exceed twelve ounces, and wine in individual bottles not to exceed
15 three hundred eighty-five milliliters, to registered guests of the
16 hotel for consumption in guest rooms. The licensee must require proof
17 of age from the guest renting a guest room and requesting the use of
18 an honor bar. The guest must also execute an affidavit verifying that
19 no one under twenty-one years of age will have access to the spirits,
20 beer, and wine in the honor bar;

21 (c) Provide without additional charge, to overnight guests,
22 spirits, beer, and wine by the individual serving for on-premises
23 consumption at a specified regular date, time, and place as may be
24 fixed by the board. Self-service by attendees is prohibited;

25 (d) Sell beer, including strong beer, wine, or spirits, in the
26 manufacturer's sealed container or by the individual drink to guests
27 through room service, or through service to occupants of private
28 residential units which are part of the buildings or complex of
29 buildings that include the hotel;

30 (e) Sell beer, including strong beer, spirits, or wine, in the
31 manufacturer's sealed container at retail sales locations within the
32 hotel premises;

33 (f) Sell beer to a purchaser in a sanitary container brought to
34 the premises by the purchaser or furnished by the licensee and filled
35 at the tap in the restaurant area by the licensee at the time of
36 sale;

37 (g) Sell for on or off-premises consumption, including through
38 room service and service to occupants of private residential units
39 managed by the hotel, wine carrying a label exclusive to the hotel
40 license holder;

1 (h) Place in guest rooms at check-in, a complimentary bottle of
2 liquor in a manufacturer-sealed container, and make a reference to
3 this service in promotional material.

4 (3) If all or any facilities for alcoholic beverage service and
5 the preparation, cooking, and serving of food are operated under
6 contract or joint venture agreement, the operator may hold a license
7 separate from the license held by the operator of the hotel. Food and
8 beverage inventory used in separate licensed operations at the hotel
9 may not be shared and must be separately owned and stored by the
10 separate licensees.

11 (4) All spirits to be sold under this license must be purchased
12 from a spirits retailer or spirits distributor licensee of the board.

13 (5) All (~~on-premise~~—~~[on-premises]~~) on-premises alcoholic
14 beverage service must be done by an alcohol server as defined in RCW
15 66.20.300 and must comply with RCW 66.20.310.

16 (6) (a) The hotel license allows the licensee to remove from the
17 liquor stocks at the licensed premises, liquor for sale and service
18 at event locations at a specified date and place not currently
19 licensed by the board. If the event is open to the public, it must be
20 sponsored by a society or organization as defined by RCW 66.24.375.
21 If attendance at the event is limited to members or invited guests of
22 the sponsoring individual, society, or organization, the requirement
23 that the sponsor must be a society or organization as defined by RCW
24 66.24.375 is waived.

25 (b) The holder of this license must, if requested by the board,
26 notify the board or its designee of the date, time, place, and
27 location of any event. Upon request, the licensee must provide to the
28 board all necessary or requested information concerning the society
29 or organization that will be holding the function at which the
30 endorsed license will be utilized.

31 (c) Licensees may cater events on a domestic winery, brewery, or
32 distillery premises.

33 (7) The holder of this license or its manager may furnish
34 spirits, beer, or wine to the licensee's employees who are twenty-one
35 years of age or older free of charge as may be required for use in
36 connection with instruction on spirits, beer, and wine. The
37 instruction may include the history, nature, values, and
38 characteristics of spirits, beer, or wine, the use of wine lists, and
39 the methods of presenting, serving, storing, and handling spirits,
40 beer, or wine. The licensee must use the liquor it obtains under its

1 license for the sampling as part of the instruction. The instruction
2 must be given on the premises of the licensee.

3 (8) Minors may be allowed in all areas of the hotel where liquor
4 may be consumed; however, the consumption must be incidental to the
5 primary use of the area. These areas include, but are not limited to,
6 tennis courts, hotel lobbies, and swimming pool areas. If an area is
7 not a mixed use area, and is primarily used for alcohol service, the
8 area must be designated and restricted to access by persons of lawful
9 age to purchase liquor.

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

11 (b) The annual fee in (a) of this subsection is waived for
12 licenses that expire during the 12-month period beginning with the
13 second calendar month after the effective date of this section.

14 (c) The waiver in (b) of this subsection does not apply to any
15 licensee that:

16 (i) Had their license suspended by the board for health and
17 safety violations of state COVID-19 guidelines; or

18 (ii) Received an order of immediate restraint or citation from
19 the department of labor and industries for allowing an employee to
20 perform work where business activity was prohibited in violation of
21 an emergency proclamation of the governor under RCW 43.06.220.

22 (d) Upon request of the department of revenue, the board and the
23 department of labor and industries must both provide a list of
24 persons that they have determined to be ineligible for a fee waiver
25 under (b) of this subsection for the reasons described in (c) of this
26 subsection. Unless otherwise agreed, any list must be received by the
27 department of revenue no later than 15 calendar days after the
28 request is made.

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

31 **Sec. 15.** RCW 66.24.600 and 2009 c 271 s 1 are each amended to
32 read as follows:

33 (1) There shall be a spirits, beer, and wine nightclub license to
34 sell spirituous liquor by the drink, beer, and wine at retail, for
35 consumption on the licensed premises.

36 (2) The license may be issued only to a person whose business
37 includes the sale and service of alcohol to the person's customers,
38 has food sales and service incidental to the sale and service of

1 alcohol, and has primary business hours between 9:00 p.m. and 2:00
2 a.m.

3 (3) Minors may be allowed on the licensed premises but only in
4 areas where alcohol is not served or consumed.

5 (4) (a) The annual fee for this license is two thousand dollars.
6 The fee for the license shall be reviewed from time to time and set
7 at such a level sufficient to defray the cost of licensing and
8 enforcing this licensing program. The fee shall be fixed by rule
9 adopted by the board in accordance with the provisions of the
10 administrative procedure act, chapter 34.05 RCW.

11 (b) The annual fee in (a) of this subsection is waived for
12 licenses that expire during the 12-month period beginning with the
13 second calendar month after the effective date of this section.

14 (c) The waiver in (b) of this subsection does not apply to any
15 licensee that:

16 (i) Had their license suspended by the board for health and
17 safety violations of state COVID-19 guidelines; or

18 (ii) Received an order of immediate restraint or citation from
19 the department of labor and industries for allowing an employee to
20 perform work where business activity was prohibited in violation of
21 an emergency proclamation of the governor under RCW 43.06.220.

22 (d) Upon request of the department of revenue, the board and the
23 department of labor and industries must both provide a list of
24 persons that they have determined to be ineligible for a fee waiver
25 under (b) of this subsection for the reasons described in (c) of this
26 subsection. Unless otherwise agreed, any list must be received by the
27 department of revenue no later than 15 calendar days after the
28 request is made.

29 (5) Local governments may petition the board to request that
30 further restrictions be imposed on a spirits, beer, and wine
31 nightclub license in the interest of public safety. Examples of
32 further restrictions a local government may request are: No minors
33 allowed on the entire premises, submitting a security plan, or
34 signing a good neighbor agreement with the local government.

35 (6) The total number of (~~spirits~~ ~~[spirits]~~) spirits, beer, and
36 wine nightclub licenses are subject to the requirements of RCW
37 66.24.420(4). However, the board shall refuse a spirits, beer, and
38 wine nightclub license to any applicant if the board determines that
39 the spirits, beer, and wine nightclub licenses already granted for

1 the particular locality are adequate for the reasonable needs of the
2 community.

3 (7) The board may adopt rules to implement this section.

4 **Sec. 16.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to
5 read as follows:

6 (1)(a) There is a theater license to sell beer, including strong
7 beer, or wine, or both, at retail, for consumption on theater
8 premises. The annual fee is four hundred dollars for a beer and wine
9 theater license.

10 (b) The annual fee in (a) of this subsection is waived for
11 licenses that expire during the 12-month period beginning with the
12 second calendar month after the effective date of this section.

13 (c) The waiver in (b) of this subsection does not apply to any
14 licensee that:

15 (i) Had their license suspended by the board for health and
16 safety violations of state COVID-19 guidelines; or

17 (ii) Received an order of immediate restraint or citation from
18 the department of labor and industries for allowing an employee to
19 perform work where business activity was prohibited in violation of
20 an emergency proclamation of the governor under RCW 43.06.220.

21 (d) Upon request of the department of revenue, the board and the
22 department of labor and industries must both provide a list of
23 persons that they have determined to be ineligible for a fee waiver
24 under (b) of this subsection for the reasons described in (c) of this
25 subsection. Unless otherwise agreed, any list must be received by the
26 department of revenue no later than 15 calendar days after the
27 request is made.

28 (2) If the theater premises is to be frequented by minors, an
29 alcohol control plan must be submitted to the board at the time of
30 application. The alcohol control plan must be approved by the board,
31 and be prominently posted on the premises, prior to minors being
32 allowed.

33 (3) For the purposes of this section:

34 (a) "Alcohol control plan" means a written, dated, and signed
35 plan submitted to the board by an applicant or licensee for the
36 entire theater premises, or rooms or areas therein, that shows where
37 and when alcohol is permitted, where and when minors are permitted,
38 and the control measures used to ensure that minors are not able to

1 obtain alcohol or be exposed to environments where drinking alcohol
2 predominates.

3 (b) "Theater" means a place of business where motion pictures or
4 other primarily nonparticipatory entertainment are shown, and
5 includes only theaters with up to four screens.

6 (4) The board must adopt rules regarding alcohol control plans
7 and necessary control measures to ensure that minors are not able to
8 obtain alcohol or be exposed to areas where drinking alcohol
9 predominates. All alcohol control plans must include a requirement
10 that any person involved in the serving of beer and/or wine must have
11 completed a mandatory alcohol server training program.

12 (5)(a) A licensee that is an entity that is exempt from taxation
13 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
14 code of 1986, as amended as of January 1, 2013, may enter into
15 arrangements with a beer or wine manufacturer, importer, or
16 distributor for brand advertising at the theater or promotion of
17 events held at the theater. The financial arrangements providing for
18 the brand advertising or promotion of events may not be used as an
19 inducement to purchase the products of the manufacturer, importer, or
20 distributor entering into the arrangement and such arrangements may
21 not result in the exclusion of brands or products of other companies.

22 (b) The arrangements allowed under this subsection (5) are an
23 exception to arrangements prohibited under RCW 66.28.305. The board
24 must monitor the impacts of these arrangements. The board may conduct
25 audits of a licensee and the affiliated business to determine
26 compliance with this subsection (5). Audits may include, but are not
27 limited to: Product selection at the facility; purchase patterns of
28 the licensee; contracts with the beer or wine manufacturer, importer,
29 or distributor; and the amount allocated or used for wine or beer
30 advertising by the licensee, affiliated business, manufacturer,
31 importer, or distributor under the arrangements.

32 (6) The maximum penalties prescribed by the board in WAC
33 314-29-020 relating to fines and suspensions are double for
34 violations involving minors or the failure to follow the alcohol
35 control plan with respect to theaters licensed under this section.

36 **Sec. 17.** RCW 66.24.655 and 2013 c 237 s 1 are each amended to
37 read as follows:

38 (1) (a) There is a theater license to sell spirits, beer,
39 including strong beer, or wine, or all, at retail, for consumption on

1 theater premises. A spirits, beer, and wine theater license may be
2 issued only to theaters that have no more than one hundred twenty
3 seats per screen and that are maintained in a substantial manner as a
4 place for preparing, cooking, and serving complete meals and
5 providing tabletop accommodations for in-theater dining. Requirements
6 for complete meals are the same as those adopted by the board in
7 rules pursuant to chapter 34.05 RCW for a spirits, beer, and wine
8 restaurant license authorized by RCW 66.24.400. The annual fee for a
9 spirits, beer, and wine theater license is two thousand dollars.

10 (b) The annual fee in (a) of this subsection is waived for
11 licenses that expire during the 12-month period beginning with the
12 second calendar month after the effective date of this section.

13 (c) The waiver in (b) of this subsection does not apply to any
14 licensee that:

15 (i) Had their license suspended by the board for health and
16 safety violations of state COVID-19 guidelines; or

17 (ii) Received an order of immediate restraint or citation from
18 the department of labor and industries for allowing an employee to
19 perform work where business activity was prohibited in violation of
20 an emergency proclamation of the governor under RCW 43.06.220.

21 (d) Upon request of the department of revenue, the board and the
22 department of labor and industries must both provide a list of
23 persons that they have determined to be ineligible for a fee waiver
24 under (b) of this subsection for the reasons described in (c) of this
25 subsection. Unless otherwise agreed, any list must be received by the
26 department of revenue no later than 15 calendar days after the
27 request is made.

28 (2) If the theater premises is to be frequented by minors, an
29 alcohol control plan must be submitted to the board at the time of
30 application. The alcohol control plan must be approved by the board
31 and be prominently posted on the premises, prior to minors being
32 allowed.

33 (3) For the purposes of this section:

34 (a) "Alcohol control plan" means a written, dated, and signed
35 plan submitted to the board by an applicant or licensee for the
36 entire theater premises, or rooms or areas therein, that shows where
37 and when alcohol is permitted, where and when minors are permitted,
38 and the control measures used to ensure that minors are not able to
39 obtain alcohol or be exposed to environments where drinking alcohol
40 predominates.

1 (b) "Theater" means a place of business where motion pictures or
2 other primarily nonparticipatory entertainment are shown.

3 (4) The board must adopt rules regarding alcohol control plans
4 and necessary control measures to ensure that minors are not able to
5 obtain alcohol or be exposed to areas where drinking alcohol
6 predominates. All alcohol control plans must include a requirement
7 that any person involved in the serving of spirits, beer, and/or wine
8 must have completed a mandatory alcohol server training program.

9 (5) (a) A licensee that is an entity that is exempt from taxation
10 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
11 code of 1986, as amended as of January 1, 2013, may enter into
12 arrangements with a spirits, beer, or wine manufacturer, importer, or
13 distributor for brand advertising at the theater or promotion of
14 events held at the theater. The financial arrangements providing for
15 the brand advertising or promotion of events may not be used as an
16 inducement to purchase the products of the manufacturer, importer, or
17 distributor entering into the arrangement and such arrangements may
18 not result in the exclusion of brands or products of other companies.

19 (b) The arrangements allowed under this subsection (5) are an
20 exception to arrangements prohibited under RCW 66.28.305. The board
21 must monitor the impacts of these arrangements. The board may conduct
22 audits of a licensee and the affiliated business to determine
23 compliance with this subsection (5). Audits may include, but are not
24 limited to: Product selection at the facility; purchase patterns of
25 the licensee; contracts with the spirits, beer, or wine manufacturer,
26 importer, or distributor; and the amount allocated or used for
27 spirits, beer, or wine advertising by the licensee, affiliated
28 business, manufacturer, importer, or distributor under the
29 arrangements.

30 (6) The maximum penalties prescribed by the board in WAC
31 314-29-020 relating to fines and suspensions are double for
32 violations involving minors or the failure to follow the alcohol
33 control plan with respect to theaters licensed under this section.

34 **Sec. 18.** RCW 66.24.680 and 2014 c 78 s 1 are each amended to
35 read as follows:

36 (1) There shall be a license to be designated as a senior center
37 license. This shall be a license issued to a nonprofit organization
38 whose primary service is providing recreational and social activities
39 for seniors on the licensed premises. This license shall permit the

1 licensee to sell spirits by the individual glass, including mixed
2 drinks and cocktails mixed on the premises only, beer and wine, at
3 retail for consumption on the premises.

4 (2) To qualify for this license, the applicant entity must:

5 (a) Be a nonprofit organization under chapter 24.03 RCW;

6 (b) Be open at times and durations established by the board; and

7 (c) Provide limited food service as defined by the board.

8 (3) All alcohol servers must have a valid mandatory alcohol
9 server training permit.

10 (4) The board shall adopt rules to implement this section.

11 (5) (a) The annual fee for this license shall be seven hundred
12 twenty dollars.

13 (b) The annual fee in (a) of this subsection is waived for
14 licenses that expire during the 12-month period beginning with the
15 second calendar month after the effective date of this section.

16 (c) The waiver in (b) of this subsection does not apply to any
17 licensee that:

18 (i) Had their license suspended by the board for health and
19 safety violations of state COVID-19 guidelines; or

20 (ii) Received an order of immediate restraint or citation from
21 the department of labor and industries for allowing an employee to
22 perform work where business activity was prohibited in violation of
23 an emergency proclamation of the governor under RCW 43.06.220.

24 (d) Upon request of the department of revenue, the board and the
25 department of labor and industries must both provide a list of
26 persons that they have determined to be ineligible for a fee waiver
27 under (b) of this subsection for the reasons described in (c) of this
28 subsection. Unless otherwise agreed, any list must be received by the
29 department of revenue no later than 15 calendar days after the
30 request is made.

31 **Sec. 19.** RCW 66.24.690 and 2014 c 29 s 1 are each amended to
32 read as follows:

33 (1) There shall be a caterer's license to sell spirits, beer, and
34 wine, by the individual serving, at retail, for consumption on the
35 premises at an event location that is either owned, leased, or
36 operated either by the caterer or the sponsor of the event for which
37 catering services are being provided. If the event is open to the
38 public, it must be sponsored by a society or organization as defined
39 in RCW 66.24.375. If attendance at the event is limited to members or

1 invited guests of the sponsoring individual, society, or
2 organization, the requirement that the sponsor must be a society or
3 organization as defined in RCW 66.24.375 is waived. The licensee must
4 serve food as required by rules of the board.

5 (2)(a) The annual fee is two hundred dollars for the beer
6 license, two hundred dollars for the wine license, or four hundred
7 dollars for a combination beer and wine license. The annual fee for a
8 combined beer, wine, and spirits license is one thousand dollars.

9 (b) The annual fees in (a) of this subsection are waived for
10 licenses that expire during the 12-month period beginning with the
11 second calendar month after the effective date of this section.

12 (c) The waivers in (b) of this subsection do not apply to any
13 licensee that:

14 (i) Had their license suspended by the board for health and
15 safety violations of state COVID-19 guidelines; or

16 (ii) Received an order of immediate restraint or citation from
17 the department of labor and industries for allowing an employee to
18 perform work where business activity was prohibited in violation of
19 an emergency proclamation of the governor under RCW 43.06.220.

20 (d) Upon request of the department of revenue, the board and the
21 department of labor and industries must both provide a list of
22 persons that they have determined to be ineligible for a fee waiver
23 under (b) of this subsection for the reasons described in (c) of this
24 subsection. Unless otherwise agreed, any list must be received by the
25 department of revenue no later than 15 calendar days after the
26 request is made.

27 (3) The holder of this license shall notify the board or its
28 designee of the date, time, place, and location of any catered event
29 at which liquor will be served, sold, or consumed. The board shall
30 create rules detailing notification requirements. Upon request, the
31 licensee shall provide to the board all necessary or requested
32 information concerning the individual, society, or organization that
33 will be holding the catered function at which the caterer's liquor
34 license will be utilized.

35 (4) The holder of this license may, under conditions established
36 by the board, store liquor on other premises operated by the licensee
37 so long as the other premises are owned or controlled by a leasehold
38 interest by that licensee.

1 (5) The holder of this license is prohibited from catering events
2 at locations that are already licensed to sell liquor under this
3 chapter.

4 (6) The holder of this license is responsible for all sales,
5 service, and consumption of alcohol at the location of the catered
6 event.

7 NEW SECTION. **Sec. 20.** This act is necessary for the immediate
8 preservation of the public peace, health, or safety, or support of
9 the state government and its existing public institutions, and takes
10 effect immediately.

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