SENATE BILL 5940

State of Washington

67th Legislature

2022 Regular Session

By Senator King

- AN ACT Relating to creating a license endorsement allowing domestic licensed alcohol manufacturers to provide contract packaging services to other alcohol manufacturing licensees within this state; and adding a new section to chapter 66.24 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 66.24 7 RCW to read as follows:
- 8 (1) There is an endorsement available to any liquor manufacturer 9 licensed in this state under RCW 66.24.140, 66.24.145, 66.24.170, 66.24.240, or 66.24.244 whereby the licensee may contract with 11 licensed liquor distillers, craft distillers, domestic brewers, 12 microbreweries, wineries, and domestic wineries licensed in this 13 state to provide packaging services that include, but are not limited to:
 - (a) Canning, bottling, and bagging of alcoholic beverages;
- 16 (b) Mixing products before packaging;

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- 17 (c) Repacking of finished products into mixed consumer packs or 18 multipacks; and
- 19 (d) Receiving and returning products to the originating liquor 20 licensed businesses as part of a contract in which the contracting

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liquor licensed party for which the services are being provided retains title and ownership of the products at all times.

- (2) Holders of the endorsement authorized under this section:
- (a) May contract with other nonliquor licensed businesses if the contract does not include alcohol products;
- (b) May not contract directly or indirectly with any retail liquor licensee for the sale of the alcohol products being packaged under this section, unless they are medicinal, culinary, or toilet preparations not usable as beverages, as described in RCW 66.12.070;
- 10 (c) May not engage in direct liquor sales to retail liquor 11 licensees on behalf of the contracted party or the contracted party's 12 products, except for the sale of alcohol products described in RCW 13 66.12.070; and
- 14 (d) May not mix or infuse THC, CBD, or any other cannabinoid into any products containing alcohol.
 - (3) The board shall approve a written request for an endorsement under this section for any authorized licensee in good standing at the time of the request without further requirement for additional licensing or administrative review.
- 20 (4) The annual fee for this endorsement is \$100.

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