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**SENATE BILL 5371**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senators MacEwen and Schoesler

Read first time 01/20/25. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to simplifying administration of wine and spirit  
2 sales by eliminating the per transaction limit for volume; and  
3 amending RCW 66.24.035, 66.24.179, 66.24.360, and 66.24.630.

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

5 **Sec. 1.** RCW 66.24.035 and 2017 c 96 s 1 are each amended to read  
6 as follows:

7 (1) There is a license called a combination spirits, beer, and  
8 wine license, to sell wine and beer, including without limitation  
9 strong beer, at retail in bottles, cans, and original containers, not  
10 to be consumed upon the premises where sold, and to:

11 (a) Sell spirits in original containers to consumers for  
12 consumption off the licensed premises and to permit holders;

13 (b) Sell spirits in original containers to retailers licensed to  
14 sell spirits for consumption on the premises, for resale at their  
15 licensed premises according to the terms of their licenses(~~(7~~  
16 ~~although no single sale may exceed twenty-four liters))~~); and

17 (c) Export spirits.

18 (2) The annual fee for the combination spirits, beer, and wine  
19 license is (~~(three hundred sixteen dollars)~~) \$316 for each store.

20 (3) For the purposes of this title, a combination spirits, beer,  
21 and wine license is a retail license, and a sale by a combination

1 spirits, beer, and wine licensee is a retail sale only if not for  
2 resale. Nothing in this title authorizes sales by on-premise  
3 licensees to other retail licensees.

4 (4) (a) The board may issue a combination spirits, beer, and wine  
5 license:

6 (i) For premises comprising at least (~~ten thousand~~) 10,000  
7 square feet of fully enclosed retail space within a single structure,  
8 including storerooms and other interior auxiliary areas but excluding  
9 covered or fenced exterior areas, whether or not attached to the  
10 structure, and only to applicants that the board determines will  
11 maintain appropriate systems for inventory management, employee  
12 training, employee supervision, and physical security of the product;

13 (ii) For premises of a former contract liquor store; or

14 (iii) To a holder of former state liquor store operating rights  
15 sold at auction under RCW 66.24.620.

16 (b) License issuances and renewals are subject to RCW 66.24.010  
17 and the regulations adopted thereunder including, without limitation,  
18 rights of cities, towns, county legislative authorities, the public,  
19 churches, schools, and public institutions to object to or prevent  
20 issuance of local liquor licenses. However, existing grocery and  
21 other retail premises over (~~ten thousand~~) 10,000 square feet  
22 licensed to sell beer and/or wine are deemed to be premises "now  
23 licensed" under RCW 66.24.010(9)(a) for the purpose of processing  
24 applications for combination spirits, beer, and wine licenses.

25 (c) A retailer authorized to sell spirits for consumption on or  
26 off the licensed premises may accept delivery of spirits and deliver  
27 spirits in the same manner as is provided in RCW 66.24.630(3)(d).

28 (d) For purposes of negotiating volume discounts of spirits, a  
29 group of individual retailers authorized to sell spirits for  
30 consumption off the licensed premises may accept delivery of spirits  
31 as provided in RCW 66.24.630(3)(e).

32 (5) Each combination spirits, beer, and wine licensee must pay to  
33 the board, for deposit into the liquor revolving fund, a license  
34 issuance fee equivalent to the license issuance fee imposed on  
35 licensees selling spirits pursuant to RCW 66.24.630(4)(a).

36 (6) The board may not issue a combined spirits, beer, and wine  
37 license to an applicant if the applicant would qualify for a  
38 restricted license as provided in RCW 66.24.371(4) or 66.24.360(7) if  
39 the applicant had applied for a license under RCW 66.24.371 or  
40 66.24.360 instead of pursuant to this section.

1 (7) As a condition to receiving and renewing a combination  
2 spirits, beer, and wine license the licensee must comply with RCW  
3 66.24.630(6).

4 (8) The maximum penalties prescribed by the board in WAC  
5 314-29-020 through 314-29-040 relating to fines and suspensions are  
6 doubled for violations relating to the sale of spirits by combination  
7 spirits, beer, and wine licensees.

8 (9)(a) A combination spirits, beer, and wine licensee that joins  
9 the responsible vendor program developed by the board pursuant to RCW  
10 66.24.630(8) and maintains all of the program's requirements is not  
11 subject to the doubling of penalties provided in this section for a  
12 single violation in any period of (~~twelve~~) 12 calendar months.

13 (b) To participate in the responsible vendor program, a  
14 combination spirits, beer, and wine licensee must submit an  
15 application form to the board. If the application establishes that  
16 the combination spirits, beer, and wine licensee meets the  
17 qualifications to join the program, the board must send the licensee  
18 a membership certificate.

19 (c) A combination spirits, beer, and wine licensee participating  
20 in the responsible vendor program must meet the requirements in RCW  
21 66.24.630(8)(e) and comply with board rules adopted to implement RCW  
22 66.24.630(8).

23 (10)(a) Any endorsement available to the holder of a license  
24 issued pursuant to RCW 66.24.360 or 66.24.371 is available, upon  
25 board approval and pursuant to board rules, to a combination spirits,  
26 beer, and wine licensee, provided that the combination spirits, beer,  
27 and wine licensee would qualify for a license and the endorsement  
28 under RCW 66.24.360 or 66.24.371, as applicable, had the licensee  
29 applied for a license and endorsement pursuant to RCW 66.24.360,  
30 66.24.363, or 66.24.371, as applicable, instead of the combination  
31 spirits, beer, and wine license pursuant to this section. A  
32 combination spirits, beer, and wine licensee with an endorsement  
33 issued pursuant to this subsection must comply with the requirements  
34 of the endorsement to the same extent as if the endorsement was  
35 issued pursuant to RCW 66.24.360, 66.24.363, or 66.24.371, as  
36 applicable.

37 (b) A combination spirits, beer, and wine licensee may conduct  
38 sampling in accordance with:

39 (i) RCW 66.24.371(2) if the combination spirits, beer, and wine  
40 licensee would qualify for a license under RCW 66.24.371; or

1 (ii) RCW 66.24.363 if the combination spirits, beer, and wine  
2 licensee would qualify for a license under RCW 66.24.360.

3 (11) Licensees holding a combination spirits, beer, and wine  
4 license must maintain either:

5 (a) A minimum (~~three thousand dollar~~) \$3,000 inventory of food  
6 products for human consumption, not including pop, beer, strong beer,  
7 wine, or spirits; or

8 (b) A minimum (~~three thousand dollar~~) \$3,000 wholesale  
9 inventory of beer, strong beer, and/or wine.

10 (12) A combination spirits, beer, and wine licensee holding a  
11 snack bar license under RCW 66.24.350 may receive an endorsement to  
12 allow the sale of confections containing more than one percent but  
13 not more than (~~ten~~) 10 percent alcohol by weight to persons  
14 (~~twenty-one~~) 21 years of age or older.

15 (13) The board may adopt rules to implement this section.

16 **Sec. 2.** RCW 66.24.179 and 2016 c 190 s 1 are each amended to  
17 read as follows:

18 (1) There is a wine retailer reseller endorsement to a beer  
19 and/or wine specialty shop license issued under RCW 66.24.371, to  
20 sell wine at retail in original containers to retailers licensed to  
21 sell wine for consumption on the premises, for resale at their  
22 licensed premises according to the terms of the license. (~~However,~~  
23 ~~no single sale may exceed twenty-four liters, unless the sale is made~~  
24 ~~by a licensee that was a former state liquor store or contract liquor~~  
25 ~~store at the location from which such sales are made.)) For the  
26 purposes of this title, a beer and/or wine specialty shop license is  
27 a retail license, and a sale by a beer and/or wine specialty shop  
28 license with a reseller endorsement is a retail sale only if not for  
29 resale. The annual fee for the wine retailer reseller endorsement is  
30 (~~one hundred ten dollars~~) \$110 for each store.~~

31 (2) A beer and/or wine specialty shop licensee with a wine  
32 retailer reseller endorsement issued under this section may accept  
33 delivery of wine at its licensed premises or at one or more warehouse  
34 facilities registered with the board, which facilities may also  
35 warehouse and distribute nonliquor items, and from which it may  
36 deliver to its own licensed premises and, pursuant to sales permitted  
37 by this title, to other licensed premises, to other registered  
38 facilities, or to lawful purchasers outside the state. Facilities may

1 be registered and utilized by associations, cooperatives, or  
2 comparable groups of beer and/or wine specialty shop licensees.

3 (3) A beer and/or wine specialty shop licensee, selling wine  
4 under the endorsement created in this section, may sell a maximum of  
5 (~~five thousand~~) 5,000 liters of wine per day for resale to  
6 retailers licensed to sell wine for consumption on the premises.

7 **Sec. 3.** RCW 66.24.360 and 2017 c 96 s 2 are each amended to read  
8 as follows:

9 (1) There is a grocery store license to sell wine and/or beer,  
10 including without limitation strong beer at retail in original  
11 containers, not to be consumed upon the premises where sold.

12 (2) There is a wine retailer reseller endorsement of a grocery  
13 store license, to sell wine at retail in original containers to  
14 retailers licensed to sell wine for consumption on the premises, for  
15 resale at their licensed premises according to the terms of the  
16 license. (~~However, no single sale may exceed twenty-four liters,~~  
17 ~~unless the sale is made by a licensee that was a contract liquor~~  
18 ~~store manager of a contract-operated liquor store at the location~~  
19 ~~from which such sales are made.)) For the purposes of this title, a  
20 grocery store license is a retail license, and a sale by a grocery  
21 store licensee with a reseller endorsement is a retail sale only if  
22 not for resale.~~

23 (3) Licensees obtaining a written endorsement from the board may  
24 also sell malt liquor in kegs or other containers capable of holding  
25 less than (~~five and one-half~~) 5.5 gallons of liquid.

26 (4) The annual fee for the grocery store license is (~~one hundred~~  
27 ~~fifty dollars~~) \$150 for each store.

28 (5) The annual fee for the wine retailer reseller endorsement is  
29 (~~one hundred sixty-six dollars~~) \$166 for each store.

30 (6) (a) Upon approval by the board, a grocery store licensee with  
31 revenues derived from beer and/or wine sales exceeding (~~fifty~~) 50  
32 percent of total revenues or that maintains an alcohol inventory of  
33 not less than (~~fifteen thousand dollars~~) \$15,000 may also receive  
34 an endorsement to permit the sale of beer and cider, as defined in  
35 RCW 66.24.210(6), in a sanitary container brought to the premises by  
36 the purchaser, or provided by the licensee or manufacturer, and  
37 filled at the tap by the licensee at the time of sale by an employee  
38 of the licensee holding a class 12 alcohol server permit.

1 (b) Pursuant to RCW 74.08.580(1)(f), a person may not use an  
2 electronic benefit transfer card for the purchase of any product  
3 authorized for sale under this section.

4 (c) The board may, by rule, establish fees to be paid by  
5 licensees receiving the endorsement authorized under this subsection  
6 (6), as necessary to cover the costs of implementing and enforcing  
7 the provisions of this subsection (6).

8 (7) The board must issue a restricted grocery store license  
9 authorizing the licensee to sell beer and only table wine, if the  
10 board finds upon issuance or renewal of the license that the sale of  
11 strong beer or fortified wine would be against the public interest.  
12 In determining the public interest, the board must consider at least  
13 the following factors:

14 (a) The likelihood that the applicant will sell strong beer or  
15 fortified wine to persons who are intoxicated;

16 (b) Law enforcement problems in the vicinity of the applicant's  
17 establishment that may arise from persons purchasing strong beer or  
18 fortified wine at the establishment; and

19 (c) Whether the sale of strong beer or fortified wine would be  
20 detrimental to or inconsistent with a government-operated or funded  
21 alcohol treatment or detoxification program in the area.

22 If the board receives no evidence or objection that the sale of  
23 strong beer or fortified wine would be against the public interest,  
24 it must issue or renew the license without restriction, as  
25 applicable. The burden of establishing that the sale of strong beer  
26 or fortified wine by the licensee would be against the public  
27 interest is on those persons objecting.

28 (8) Licensees holding a grocery store license must maintain a  
29 minimum (~~three thousand dollar~~) \$3,000 inventory of food products  
30 for human consumption, not including pop, beer, strong beer, or wine.

31 (9) A grocery store licensee with a wine retailer reseller  
32 endorsement may accept delivery of wine at its licensed premises or  
33 at one or more warehouse facilities registered with the board, which  
34 facilities may also warehouse and distribute nonliquor items, and  
35 from which it may deliver to its own licensed premises and, pursuant  
36 to sales permitted by this title, to other licensed premises, to  
37 other registered facilities, or to lawful purchasers outside the  
38 state. Facilities may be registered and utilized by associations,  
39 cooperatives, or comparable groups of grocery store licensees.

1 (10) Upon approval by the board, the grocery store licensee may  
2 also receive an endorsement to permit the international export of  
3 beer, strong beer, and wine.

4 (a) Any beer, strong beer, or wine sold under this endorsement  
5 must have been purchased from a licensed beer or wine distributor  
6 licensed to do business within the state of Washington.

7 (b) Any beer, strong beer, and wine sold under this endorsement  
8 must be intended for consumption outside the state of Washington and  
9 the United States and appropriate records must be maintained by the  
10 licensee.

11 (c) Any beer, strong beer, or wine sold under this endorsement  
12 must be sold at a price no less than the acquisition price paid by  
13 the holder of the license.

14 (d) The annual cost of this endorsement is (~~(five hundred~~  
15 ~~dollars))~~ \$500 and is in addition to the license fees paid by the  
16 licensee for a grocery store license.

17 (11) A grocery store licensee holding a snack bar license under  
18 RCW 66.24.350 may receive an endorsement to allow the sale of  
19 confections containing more than one percent but not more than  
20 (~~ten~~) 10 percent alcohol by weight to persons (~~(twenty-one)~~) 21  
21 years of age or older.

22 (12) The board may adopt rules to implement this section.

23 (13) Nothing in this section limits the authority of the board to  
24 regulate the sale of beer or cider or container sizes under rules  
25 adopted pursuant to RCW 66.08.030.

26 (14) Any endorsement issued pursuant to this section or RCW  
27 66.24.363 may be issued to a qualified combination spirits, beer, and  
28 wine licensee in accordance with RCW 66.24.035(10).

29 (15)(a) A grocery store licensee that also holds a spirits retail  
30 license under RCW 66.24.630 may, upon board approval and pursuant to  
31 board rules, transition to a combination spirits, beer, and wine  
32 license pursuant to RCW 66.24.035.

33 (b) An applicant that would qualify for a grocery store license  
34 under this section and a spirits retail license under RCW 66.24.630  
35 may apply for a single license pursuant to RCW 66.24.035 instead of  
36 applying for a grocery store license under this section in addition  
37 to a spirits retail license under (~~(to)~~) RCW 66.24.630.

38 **Sec. 4.** RCW 66.24.630 and 2021 c 48 s 5 are each amended to read  
39 as follows:

1 (1) There is a spirits retail license to: Sell spirits in  
2 original containers to consumers for consumption off the licensed  
3 premises and to permit holders; sell spirits in original containers  
4 to retailers licensed to sell spirits for consumption on the  
5 premises, for resale at their licensed premises according to the  
6 terms of their licenses (~~(, although no single sale may exceed twenty-~~  
7 ~~four liters, unless the sale is by a licensee that was a contract~~  
8 ~~liquor store manager of a contract liquor store at the location of~~  
9 ~~its spirits retail licensed premises from which it makes such~~  
10 sales)); and export spirits.

11 (2) For the purposes of this title, a spirits retail license is a  
12 retail license, and a sale by a spirits retailer is a retail sale  
13 only if not for resale. Nothing in this title authorizes sales by on-  
14 sale licensees to other retail licensees. The board must establish by  
15 rule an obligation of on-sale spirits retailers to:

16 (a) Maintain a schedule by stock-keeping unit of all their  
17 purchases of spirits from spirits retail licensees, including  
18 combination spirits, beer, and wine licensees holding a license  
19 issued pursuant to RCW 66.24.035, indicating the identity of the  
20 seller and the quantities purchased; and

21 (b) Provide, not more frequently than quarterly, a report for  
22 each scheduled item containing the identity of the purchasing on-  
23 premises licensee and the quantities of that scheduled item purchased  
24 since any preceding report to:

25 (i) A distributor authorized by the distiller to distribute a  
26 scheduled item in the on-sale licensee's geographic area; or

27 (ii) A distiller acting as distributor of the scheduled item in  
28 the area.

29 (3)(a) Except as otherwise provided in (c) of this subsection,  
30 the board may issue spirits retail licenses only for premises  
31 comprising at least (~~ten thousand~~) 10,000 square feet of fully  
32 enclosed retail space within a single structure, including storerooms  
33 and other interior auxiliary areas but excluding covered or fenced  
34 exterior areas, whether or not attached to the structure, and only to  
35 applicants that the board determines will maintain systems for  
36 inventory management, employee training, employee supervision, and  
37 physical security of the product substantially as effective as those  
38 of stores currently operated by the board with respect to preventing  
39 sales to or pilferage by underage or inebriated persons.

1 (b) License issuances and renewals are subject to RCW 66.24.010  
2 and the regulations adopted thereunder, including without limitation  
3 rights of cities, towns, county legislative authorities, the public,  
4 churches, schools, and public institutions to object to or prevent  
5 issuance of local liquor licenses. However, existing grocery premises  
6 licensed to sell beer and/or wine are deemed to be premises "now  
7 licensed" under RCW 66.24.010(9)(a) for the purpose of processing  
8 applications for spirits retail licenses.

9 (c) The board may not deny a spirits retail license to an  
10 otherwise qualified contract liquor store at its contract location or  
11 to the holder of former state liquor store operating rights sold at  
12 auction under RCW 66.24.620 on the grounds of location, nature, or  
13 size of the premises to be licensed. The board may not deny a spirits  
14 retail license to applicants that are not contract liquor stores or  
15 operating rights holders on the grounds of the size of the premises  
16 to be licensed, if such applicant is otherwise qualified and the  
17 board determines that:

18 (i) There is no spirits retail license holder in the trade area  
19 that the applicant proposes to serve;

20 (ii) The applicant meets, or upon licensure will meet, the  
21 operational requirements established by the board by rule; and

22 (iii) The licensee has not committed more than one public safety  
23 violation within the three years preceding application.

24 (d) A retailer authorized to sell spirits for consumption on or  
25 off the licensed premises may accept delivery of spirits at its  
26 licensed premises, at another licensed premises as designated by the  
27 retailer, or at one or more warehouse facilities registered with the  
28 board, which facilities may also warehouse and distribute nonliquor  
29 items, and from which the retailer may deliver to its own licensed  
30 premises and, pursuant to sales permitted under subsection (1) of  
31 this section:

32 (i) To other retailer premises licensed to sell spirits for  
33 consumption on the licensed premises;

34 (ii) To other registered facilities; or

35 (iii) To lawful purchasers outside the state. The facilities may  
36 be registered and utilized by associations, cooperatives, or  
37 comparable groups of retailers, including at least one retailer  
38 licensed to sell spirits.

39 (e) For purposes of negotiating volume discounts, a group of  
40 individual retailers authorized to sell spirits for consumption off

1 the licensed premises may accept delivery of spirits at their  
2 individual licensed premises or at any one of the individual  
3 licensee's premises, or at a warehouse facility registered with the  
4 board.

5 (4) (a) Except as otherwise provided in RCW 66.24.632, section 2,  
6 chapter 48, Laws of 2021, or in (b) of this subsection, each spirits  
7 retail licensee must pay to the board, for deposit into the liquor  
8 revolving fund, a license issuance fee equivalent to (~~seventeen~~) 17  
9 percent of all spirits sales revenues under the license, exclusive of  
10 taxes collected by the licensee and of sales of items on which a  
11 license fee payable under this section has otherwise been incurred.  
12 The board must establish rules setting forth the timing of such  
13 payments and reporting of sales dollar volume by the licensee, with  
14 payments required quarterly in arrears. The first payment is due  
15 October 1, 2012.

16 (b) This subsection (4) does not apply to craft distilleries for  
17 sales of spirits of the craft distillery's own production.

18 (5) In addition to the payment required under subsection (4) of  
19 this section, each licensee must pay an annual license renewal fee of  
20 (~~one hundred sixty-six dollars~~) \$166. The board must periodically  
21 review and adjust the renewal fee as may be required to maintain it  
22 as comparable to annual license renewal fees for licenses to sell  
23 beer and wine not for consumption on the licensed premises. If  
24 required by law at the time, any increase of the annual renewal fee  
25 becomes effective only upon ratification by the legislature.

26 (6) As a condition to receiving and renewing a spirits retail  
27 license the licensee must provide training as prescribed by the board  
28 by rule for individuals who sell spirits or who manage others who  
29 sell spirits regarding compliance with laws and regulations regarding  
30 sale of spirits, including without limitation the prohibitions  
31 against sale of spirits to individuals who are underage or visibly  
32 intoxicated. The training must be provided before the individual  
33 first engages in the sale of spirits and must be renewed at least  
34 every five years. The licensee must maintain records documenting the  
35 nature and frequency of the training provided. An employee training  
36 program is presumptively sufficient if it incorporates a "responsible  
37 vendor program" adopted by the board.

38 (7) The maximum penalties prescribed by the board in WAC  
39 314-29-020 through 314-29-040 relating to fines and suspensions are

1 doubled for violations relating to the sale of spirits by spirits  
2 retail licensees.

3 (8) (a) The board must adopt regulations concerning the adoption  
4 and administration of a compliance training program for spirits  
5 retail licensees, to be known as a "responsible vendor program," to  
6 reduce underage drinking, encourage licensees to adopt specific best  
7 practices to prevent sales to minors, and provide licensees with an  
8 incentive to give their employees ongoing training in responsible  
9 alcohol sales and service.

10 (b) Licensees who join the responsible vendor program under this  
11 section and maintain all of the program's requirements are not  
12 subject to the doubling of penalties provided in this section for a  
13 single violation in any period of (~~twelve~~) 12 calendar months.

14 (c) The responsible vendor program must be free, voluntary, and  
15 self-monitoring.

16 (d) To participate in the responsible vendor program, licensees  
17 must submit an application form to the board. If the application  
18 establishes that the licensee meets the qualifications to join the  
19 program, the board must send the licensee a membership certificate.

20 (e) A licensee participating in the responsible vendor program  
21 must at a minimum:

22 (i) Provide ongoing training to employees;

23 (ii) Accept only certain forms of identification for alcohol  
24 sales;

25 (iii) Adopt policies on alcohol sales and checking  
26 identification;

27 (iv) Post specific signs in the business; and

28 (v) Keep records verifying compliance with the program's  
29 requirements.

30 (f) (i) A spirits retail licensee that also holds a grocery store  
31 license under RCW 66.24.360 or a beer and/or wine specialty shop  
32 license under RCW 66.24.371 may, upon board approval and pursuant to  
33 board rules, transition to a combination spirits, beer, and wine  
34 license pursuant to RCW 66.24.035.

35 (ii) An applicant that would qualify for a spirits retail license  
36 under this section and that qualifies for a combination spirits,  
37 beer, and wine license pursuant to RCW 66.24.035 may apply for a

1 license pursuant to RCW 66.24.035 instead of applying for a spirits  
2 retail license under this section.

--- **END** ---