

CERTIFICATION OF ENROLLMENT

**ENGROSSED HOUSE BILL 2358**

Chapter 507, Laws of 2009

61st Legislature  
2009 Regular Session

RETAIL LIQUOR LICENSE FEES

EFFECTIVE DATE: 07/26/09

Passed by the House April 21, 2009  
Yeas 50 Nays 47

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Passed by the Senate April 25, 2009  
Yeas 29 Nays 20

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Approved May 15, 2009, 2:14 p.m.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 2358** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

\_\_\_\_\_  
**Chief Clerk**

FILED

May 18, 2009

**Secretary of State  
State of Washington**

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ENGROSSED HOUSE BILL 2358

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Passed Legislature - 2009 Regular Session

State of Washington

61st Legislature

2009 Regular Session

By Representative Conway

1 AN ACT Relating to increasing liquor license fees limited to fees  
2 for beer and/or wine restaurants; taverns; snack bars; combined beer  
3 and wine retailers; grocery stores; beer and/or wine specialty shops;  
4 passenger trains, vessels, and airplanes; spirits, beer, and wine  
5 restaurants; spirits, beer, and wine private clubs; beer and wine  
6 private clubs; and public houses; amending RCW 66.24.320, 66.24.330,  
7 66.24.350, 66.24.354, 66.24.360, 66.24.371, 66.24.395, 66.24.400,  
8 66.24.450, 66.24.452, and 66.24.580; reenacting and amending RCW  
9 66.24.420 and 66.24.425; adding a new section to chapter 66.08 RCW; and  
10 providing an expiration date.

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

12 **Sec. 1.** RCW 66.24.320 and 2007 c 370 s 9 are each amended to read  
13 as follows:

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

1 (1) The annual fee shall be two hundred twenty-one dollars for the  
2 beer license, two hundred twenty-one dollars for the wine license, or  
3 four hundred forty-two dollars for a combination beer and wine license.

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

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

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

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

36 (3) Licensees under this section that hold a caterer's endorsement  
37 are allowed to use this endorsement on a domestic winery premises or on

1 the premises of a passenger vessel and may store liquor at such  
2 premises under conditions established by the board under the following  
3 conditions:

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

8 (b) The domestic winery or passenger vessel, as the case may be,  
9 and the retail licensee shall be separately contracted and compensated  
10 by the persons sponsoring the event for their respective 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 for  
13 use in connection with instruction on beer and wine. The instruction  
14 may include the history, nature, values, and characteristics of beer or  
15 wine, the use of wine lists, and the methods of presenting, serving,  
16 storing, and handling beer or wine. The beer and/or wine licensee must  
17 use the beer or wine it obtains under its license for the sampling as  
18 part of the instruction. The instruction must be given on the premises  
19 of the beer and/or wine licensee.

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

25 **Sec. 2.** RCW 66.24.330 and 2003 c 167 s 7 are each amended to read  
26 as follows:

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

32 The annual fee for such license shall be two hundred twenty-one  
33 dollars for the beer license, two hundred twenty-one dollars for the  
34 wine license, or four hundred forty-two dollars for a combination beer  
35 and wine license. (~~Licensees who have a fee increase of more than one~~  
36 ~~hundred dollars as a result of this change shall have their fees~~  
37 ~~increased fifty percent of the amount the first renewal year and the~~

1 remaining amount beginning with the second renewal period. New  
2 licensees obtaining a license after July 1, 1998, shall pay the full  
3 amount of four hundred dollars.))

4 **Sec. 3.** RCW 66.24.350 and 1997 c 321 s 20 are each amended to read  
5 as follows:

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

11 **Sec. 4.** RCW 66.24.354 and 1997 c 321 s 21 are each amended to read  
12 as follows:

13 There shall be a beer and wine retailer's license that may be  
14 combined only with the on-premises licenses described in either RCW  
15 66.24.320 or 66.24.330. The combined license permits the sale of beer  
16 and wine for consumption off the premises.

17 (1) Beer and wine sold for consumption off the premises must be in  
18 original sealed packages of the manufacturer or bottler.

19 (2) Beer may be sold to a purchaser in a sanitary container brought  
20 to the premises by the purchaser and filled at the tap by the retailer  
21 at the time of sale.

22 (3) Licensees holding this type of license also may sell malt  
23 liquor in kegs or other containers that are capable of holding four  
24 gallons or more of liquid and are registered in accordance with RCW  
25 66.28.200.

26 (4) The board may impose conditions upon the issuance of this  
27 license to best protect and preserve the health, safety, and welfare of  
28 the public.

29 (5) The annual fee for this license shall be one hundred (~~(twenty)~~)  
30 thirty-three dollars.

31 **Sec. 5.** RCW 66.24.360 and 2007 c 226 s 2 are each amended to read  
32 as follows:

33 There shall be a beer and/or wine retailer's license to be  
34 designated as a grocery store license to sell beer, strong beer, and/or

1 wine at retail in bottles, cans, and original containers, not to be  
2 consumed upon the premises where sold, at any store other than the  
3 state liquor stores.

4 (1) Licensees obtaining a written endorsement from the board may  
5 also sell malt liquor in kegs or other containers capable of holding  
6 less than five and one-half gallons of liquid.

7 (2) The annual fee for the grocery store license is one hundred  
8 (~~(fifty)~~) sixty-six dollars for each store.

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

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

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

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

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

29 (4) Licensees holding a grocery store license must maintain a  
30 minimum three thousand dollar inventory of food products for human  
31 consumption, not including pop, beer, strong beer, or wine.

32 (5) Upon approval by the board, the grocery store licensee may also  
33 receive an endorsement to permit the international export of beer,  
34 strong beer, and wine.

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

1 (b) Any beer, strong beer, and wine sold under this endorsement  
2 must be intended for consumption outside the state of Washington and  
3 the United States and appropriate records must be maintained by the  
4 licensee.

5 (c) A holder of this special endorsement to the grocery store  
6 license shall be considered not in violation of RCW 66.28.010.

7 (d) Any beer, strong beer, or wine sold under this license must be  
8 sold at a price no less than the acquisition price paid by the holder  
9 of the license.

10 (e) The annual cost of this endorsement is five hundred fifty-three  
11 dollars and is in addition to the license fees paid by the licensee for  
12 a grocery store license.

13 (6) A grocery store licensee holding a snack bar license under RCW  
14 66.24.350 may receive an endorsement to allow the sale of confections  
15 containing more than one percent but not more than ten percent alcohol  
16 by weight to persons twenty-one years of age or older.

17 **Sec. 6.** RCW 66.24.371 and 2003 c 167 s 9 are each amended to read  
18 as follows:

19 (1) There shall be a beer and/or wine retailer's license to be  
20 designated as a beer and/or wine specialty shop license to sell beer,  
21 strong beer, and/or wine at retail in bottles, cans, and original  
22 containers, not to be consumed upon the premises where sold, at any  
23 store other than the state liquor stores. Licensees obtaining a  
24 written endorsement from the board may also sell malt liquor in kegs or  
25 other containers capable of holding less than five and one-half gallons  
26 of liquid. The annual fee for the beer and/or wine specialty shop  
27 license is one hundred eleven dollars for each store.

28 (2) Licensees under this section may provide, free or for a charge,  
29 single-serving samples of two ounces or less to customers for the  
30 purpose of sales promotion. Sampling activities of licensees under  
31 this section are subject to RCW 66.28.010 and 66.28.040 and the cost of  
32 sampling under this section may not be borne, directly or indirectly,  
33 by any manufacturer, importer, or distributor of liquor.

34 (3) The board shall issue a restricted beer and/or wine specialty  
35 shop license, authorizing the licensee to sell beer and only table  
36 wine, if the board finds upon issuance or renewal of the license that

1 the sale of strong beer or fortified wine would be against the public  
2 interest. In determining the public interest, the board shall consider  
3 at least the following factors:

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

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

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

12 If the board receives no evidence or objection that the sale of  
13 strong beer or fortified wine would be against the public interest, it  
14 shall issue or renew the license without restriction, as applicable.  
15 The burden of establishing that the sale of strong beer or fortified  
16 wine by the licensee would be against the public interest is on those  
17 persons objecting.

18 (4) Licensees holding a beer and/or wine specialty shop license  
19 must maintain a minimum three thousand dollar wholesale inventory of  
20 beer, strong beer, and/or wine.

21 **Sec. 7.** RCW 66.24.395 and 1997 c 321 s 25 are each amended to read  
22 as follows:

23 (1)(a) There shall be a license that may be issued to corporations,  
24 associations, or persons operating as federally licensed commercial  
25 common passenger carriers engaged in interstate commerce, in or over  
26 territorial limits of the state of Washington on passenger trains,  
27 vessels, or airplanes. Such license shall permit the sale of  
28 spirituous liquor, wine, and beer at retail for passenger consumption  
29 within the state upon one such train passenger car, vessel, or  
30 airplane, while in or over the territorial limits of the state. Such  
31 license shall include the privilege of transporting into and storing  
32 within the state such liquor for subsequent retail sale to passengers  
33 in passenger train cars, vessels or airplanes. The fees for such  
34 master license shall be (~~seven hundred fifty~~) eight hundred twenty-  
35 nine dollars per annum (class CCI-1): PROVIDED, That upon payment of  
36 an additional sum of (~~five~~) six dollars per annum per car, or vessel,  
37 or airplane, the privileges authorized by such license classes shall



1 extend to additional cars, or vessels, or airplanes operated by the  
2 same licensee within the state, and a duplicate license for each  
3 additional car, or vessel, or airplane shall be issued: PROVIDED,  
4 FURTHER, That such licensee may make such sales and/or service upon  
5 cars, or vessels, or airplanes in emergency for not more than five  
6 consecutive days without such license: AND PROVIDED, FURTHER, That  
7 such license shall be valid only while such cars, or vessels, or  
8 airplanes are actively operated as common carriers for hire in  
9 interstate commerce and not while they are out of such common carrier  
10 service.

11 (b) Alcoholic beverages sold and/or served for consumption by such  
12 interstate common carriers while within or over the territorial limits  
13 of this state shall be subject to such board markup and state liquor  
14 taxes in an amount to approximate the revenue that would have been  
15 realized from such markup and taxes had the alcoholic beverages been  
16 purchased in Washington: PROVIDED, That the board's markup shall be  
17 applied on spirituous liquor only. Such common carriers shall report  
18 such sales and/or service and pay such markup and taxes in accordance  
19 with procedures prescribed by the board.

20 (2) Alcoholic beverages sold and delivered in this state to  
21 interstate common carriers for use under the provisions of this section  
22 shall be considered exported from the state, subject to the conditions  
23 provided in subsection (1)(b) of this section. The storage facilities  
24 for liquor within the state by common carriers licensed under this  
25 section shall be subject to written approval by the board.

26 **Sec. 8.** RCW 66.24.400 and 2008 c 41 s 10 are each amended to read  
27 as follows:

28 (1) There shall be a retailer's license, to be known and designated  
29 as a spirits, beer, and wine restaurant license, to sell spirituous  
30 liquor by the individual glass, beer, and wine, at retail, for  
31 consumption on the premises, including mixed drinks and cocktails  
32 compounded or mixed on the premises only. A club licensed under  
33 chapter 70.62 RCW with overnight sleeping accommodations, that is  
34 licensed under this section may sell liquor by the bottle to registered  
35 guests of the club for consumption in guest rooms, hospitality rooms,  
36 or at banquets in the club. A patron of a bona fide restaurant or club  
37 licensed under this section may remove from the premises recorked or

1 recapped in its original container any portion of wine which was  
2 purchased for consumption with a meal, and registered guests who have  
3 purchased liquor from the club by the bottle may remove from the  
4 premises any unused portion of such liquor in its original container.  
5 Such license may be issued only to bona fide restaurants and clubs, and  
6 to dining, club and buffet cars on passenger trains, and to dining  
7 places on passenger boats and airplanes, and to dining places at civic  
8 centers with facilities for sports, entertainment, and conventions, and  
9 to such other establishments operated and maintained primarily for the  
10 benefit of tourists, vacationers and travelers as the board shall  
11 determine are qualified to have, and in the discretion of the board  
12 should have, a spirits, beer, and wine restaurant license under the  
13 provisions and limitations of this title.

14 (2) The board may issue an endorsement to the spirits, beer, and  
15 wine restaurant license that allows the holder of a spirits, beer, and  
16 wine restaurant license to sell bottled wine for off-premises  
17 consumption. Spirits and beer may not be sold for off-premises  
18 consumption under this section except as provided in subsection (4) of  
19 this section. The annual fee for the endorsement under this subsection  
20 is one hundred (~~twenty~~) thirty-three dollars.

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

32 (4) The board may issue an endorsement to the spirits, beer, and  
33 wine restaurant license that allows the holder of a spirits, beer, and  
34 wine restaurant license to sell for off-premises consumption malt  
35 liquor in kegs or other containers that are capable of holding four  
36 gallons or more of liquid and are registered in accordance with RCW  
37 66.28.200. The annual fee for the endorsement under this subsection is  
38 one hundred (~~twenty~~) thirty-three dollars.

1       **Sec. 9.** RCW 66.24.420 and 2007 c 370 s 19 and 2007 c 370 s 8 are  
2 each reenacted and amended to read as follows:

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

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

8                   Less than 50% dedicated	\$((2,000))	<u>2,210</u>
9                   dining area		
10                   50% or more dedicated	\$((1,600))	<u>1,768</u>
11                   dining area		
12                   Service bar only	\$((1,000))	<u>1,105</u>

13       (b) The annual fee for the license when issued to any other  
14 spirits, beer, and wine restaurant licensee outside of incorporated  
15 cities and towns shall be prorated according to the calendar quarters,  
16 or portion thereof, during which the licensee is open for business,  
17 except in case of suspension or revocation of the license.

18       (c) Where the license shall be issued to any corporation,  
19 association or person operating a bona fide restaurant in an airport  
20 terminal facility providing service to transient passengers with more  
21 than one place where liquor is to be dispensed and sold, such license  
22 shall be issued upon the payment of the annual fee, which shall be a  
23 master license and shall permit such sale within and from one such  
24 place. Such license may be extended to additional places on the  
25 premises at the discretion of the board and a duplicate license may be  
26 issued for each such additional place. The holder of a master license  
27 for a restaurant in an airport terminal facility must maintain in a  
28 substantial manner at least one place on the premises for preparing,  
29 cooking, and serving of complete meals, and such food service shall be  
30 available on request in other licensed places on the premises. An  
31 additional license fee of twenty-five percent of the annual master  
32 license fee shall be required for such duplicate licenses.

33       (d) Where the license shall be issued to any corporation,  
34 association, or person operating dining places at a publicly or  
35 privately owned civic or convention center with facilities for sports,  
36 entertainment, or conventions, or a combination thereof, with more than  
37 one place where liquor is to be dispensed and sold, such license shall

1 be issued upon the payment of the annual fee, which shall be a master  
2 license and shall permit such sale within and from one such place.  
3 Such license may be extended to additional places on the premises at  
4 the discretion of the board and a duplicate license may be issued for  
5 each such additional place. The holder of a master license for a  
6 dining place at such a publicly or privately owned civic or convention  
7 center must maintain in a substantial manner at least one place on the  
8 premises for preparing, cooking, and serving of complete meals, and  
9 food service shall be available on request in other licensed places on  
10 the premises. An additional license fee of (~~ten~~) eleven dollars  
11 shall be required for such duplicate licenses.

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

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

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

33 (5) Notwithstanding the provisions of subsection (4) of this  
34 section, the board shall refuse a spirits, beer, and wine restaurant  
35 license to any applicant if in the opinion of the board the spirits,  
36 beer, and wine restaurant licenses already granted for the particular  
37 locality are adequate for the reasonable needs of the community.

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

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

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

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

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

37 (a) Agreements between the domestic winery or passenger vessel, as

1 the case may be, and the retail licensee shall be in writing, contain  
2 no exclusivity clauses regarding the alcoholic beverages to be served,  
3 and be filed with the board; and

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

7 **Sec. 10.** RCW 66.24.425 and 2001 c 199 s 3 and 2001 c 198 s 1 are  
8 each reenacted and amended to read as follows:

9 (1) The board may, in its discretion, issue a spirits, beer, and  
10 wine restaurant license to a business which qualifies as a "restaurant"  
11 as that term is defined in RCW 66.24.410 in all respects except that  
12 the business does not serve the general public but, through membership  
13 qualification, selectively restricts admission to the business. For  
14 purposes of RCW 66.24.400 and 66.24.420, all licenses issued under this  
15 section shall be considered spirits, beer, and wine restaurant licenses  
16 and shall be subject to all requirements, fees, and qualifications in  
17 this title, or in rules adopted by the board, as are applicable to  
18 spirits, beer, and wine restaurant licenses generally except that no  
19 service to the general public may be required.

20 (2) No license shall be issued under this section to a business:

21 (a) Which shall not have been in continuous operation for at least  
22 one year immediately prior to the date of its application; or

23 (b) Which denies membership or admission to any person because of  
24 race, creed, color, national origin, sex, or the presence of any  
25 sensory, mental, or physical handicap.

26 (3) The board may issue an endorsement to the spirits, beer, and  
27 wine restaurant license issued under this section that allows up to  
28 forty nonclub, member-sponsored events using club liquor. Visitors and  
29 guests may attend these events only by invitation of the sponsoring  
30 member or members. These events may not be open to the general public.  
31 The fee for the endorsement is an annual fee of nine hundred ninety-  
32 five dollars. Upon the board's request, the holder of the endorsement  
33 must provide the board or the board's designee with the following  
34 information at least seventy-two hours before the event: The date,  
35 time, and location of the event; the name of the sponsor of the event;  
36 and a brief description of the purpose of the event.

1 (4) The board may issue an endorsement to the spirits, beer, and  
2 wine restaurant license that allows the holder of a spirits, beer, and  
3 wine restaurant license to sell for off-premises consumption wine  
4 vinted and bottled in the state of Washington and carrying a label  
5 exclusive to the license holder selling the wine. Spirits and beer may  
6 not be sold for off-premises consumption under this section. The  
7 annual fee for the endorsement under this (~~chapter [section]~~) section  
8 is one hundred (~~twenty~~) thirty-three dollars.

9 **Sec. 11.** RCW 66.24.450 and 2001 c 199 s 1 are each amended to read  
10 as follows:

11 (1) No club shall be entitled to a spirits, beer, and wine private  
12 club license:

13 (a) Unless such private club has been in continuous operation for  
14 at least one year immediately prior to the date of its application for  
15 such license;

16 (b) Unless the private club premises be constructed and equipped,  
17 conducted, managed, and operated to the satisfaction of the board and  
18 in accordance with this title and the regulations made thereunder;

19 (c) Unless the board shall have determined pursuant to any  
20 regulations made by it with respect to private clubs, that such private  
21 club is a bona fide private club; it being the intent of this section  
22 that license shall not be granted to a club which is, or has been,  
23 primarily formed or activated to obtain a license to sell liquor, but  
24 solely to a bona fide private club, where the sale of liquor is  
25 incidental to the main purposes of the spirits, beer, and wine private  
26 club, as defined in RCW 66.04.010(~~(+7)~~) (8).

27 (2) The annual fee for a spirits, beer, and wine private club  
28 license, whether inside or outside of an incorporated city or town, is  
29 seven hundred (~~twenty~~) ninety-six dollars per year.

30 (3) The board may issue an endorsement to the spirits, beer, and  
31 wine private club license that allows up to forty nonclub, member-  
32 sponsored events using club liquor. Visitors and guests may attend  
33 these events only by invitation of the sponsoring member or members.  
34 These events may not be open to the general public. The fee for the  
35 endorsement shall be an annual fee of nine hundred ninety-five dollars.  
36 Upon the board's request, the holder of the endorsement must provide  
37 the board or the board's designee with the following information at

1 least seventy-two hours prior to the event: The date, time, and  
2 location of the event; the name of the sponsor of the event; and a  
3 brief description of the purpose of the event.

4 (4) The board may issue an endorsement to the spirits, beer, and  
5 wine private club license that allows the holder of a spirits, beer,  
6 and wine private club license to sell for off-premises consumption wine  
7 vinted and bottled in the state of Washington and carrying a label  
8 exclusive to the license holder selling the wine. Spirits and beer may  
9 not be sold for off-premises consumption under this section. The  
10 annual fee for the endorsement under this (~~chapter [section]~~) section  
11 is one hundred (~~twenty~~) thirty-three dollars.

12 **Sec. 12.** RCW 66.24.452 and 2003 c 167 s 10 are each amended to  
13 read as follows:

14 (1) There shall be a beer and wine license to be issued to a  
15 private club for sale of beer, strong beer, and wine for on-premises  
16 consumption.

17 (2) Beer, strong beer, and wine sold by the licensee may be on tap  
18 or by open bottles or cans.

19 (3) The fee for the private club beer and wine license is one  
20 hundred (~~eighty~~) ninety-nine dollars per year.

21 (4) The board may issue an endorsement to the private club beer and  
22 wine license that allows the holder of a private club beer and wine  
23 license to sell for off-premises consumption wine vinted and bottled in  
24 the state of Washington and carrying a label exclusive to the license  
25 holder selling the wine. Spirits, strong beer, and beer may not be  
26 sold for off-premises consumption under this section. The annual fee  
27 for the endorsement under this section is one hundred (~~twenty~~)  
28 thirty-three dollars.

29 **Sec. 13.** RCW 66.24.580 and 1999 c 281 s 6 are each amended to read  
30 as follows:

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

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

35 (b) To sell product, that is produced on the licensed premises, at



1 retail on the licensed premises for consumption on the licensed  
2 premises;

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

6 (d) To hold other classes of retail licenses at other locations  
7 without being considered in violation of RCW 66.28.010;

8 (e) To apply for and, if qualified and upon the payment of the  
9 appropriate fee, be licensed as a spirits, beer, and wine restaurant to  
10 do business at the same location. This fee is in addition to the fee  
11 charged for the basic public house license.

12 (2) While the holder of a public house license is not to be  
13 considered in violation of the prohibitions of ownership or interest in  
14 a retail license in RCW 66.28.010, the remainder of RCW 66.28.010  
15 applies to such licensees.

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

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

21 (5) The holder of a public house license may not hold a  
22 wholesaler's or importer's license, act as the agent of another  
23 manufacturer, wholesaler, or importer, or hold a brewery or winery  
24 license.

25 (6) The annual license fee for a public house is one thousand one  
26 hundred five dollars.

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

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

33 NEW SECTION. **Sec. 14.** A new section is added to chapter 66.08 RCW  
34 to read as follows:

35 Ten and a half percent of total license fee revenues collected for  
36 the following licenses established in chapter 66.24 RCW: Beer and/or  
37 wine restaurants; taverns; snack bars; combined beer and wine

1 retailers; grocery stores; beer and/or wine specialty shops; passenger  
2 trains, vessels, and airplanes; spirits, beer, and wine restaurants;  
3 spirits, beer, and wine private clubs; beer and wine private clubs; and  
4 public houses, shall be deposited in the liquor revolving fund, is not  
5 subject to the distribution specified in RCW 66.08.180, and may be  
6 expended only for purposes of the administration and enforcement of  
7 these licenses.

8 NEW SECTION. **Sec. 15.** This act expires July 1, 2011.

Passed by the House April 21, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 15, 2009.

Filed in Office of Secretary of State May 18, 2009.