CERTIFICATION OF ENROLLMENT

## HOUSE BILL 1349

Chapter 53, Laws of 2007

60th Legislature 2007 Regular Session

MALT LIQUOR

EFFECTIVE DATE: 07/22/07

Passed by the House March 9, 2007 Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 3, 2007 Yeas 47 Nays 0 CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1349** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

BRAD OWEN

President of the Senate

Approved April 17, 2007, 9:28 a.m.

FILED

April 17, 2007

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

## HOUSE BILL 1349

Passed Legislature - 2007 Regular Session

State of Washington60th Legislature2007 Regular SessionBy Representatives Condotta and Wood

Read first time 01/17/2007. Referred to Committee on Commerce & Labor.

AN ACT Relating to sale by spirit, beer, and wine licensees of malt liquor in containers that are capable of holding four gallons or more and are registered in accordance with RCW 66.28.200; and amending RCW 66.24.400, 66.28.200, and 66.28.220.

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

6 Sec. 1. RCW 66.24.400 and 2005 c 152 s 2 are each amended to read 7 as follows:

8 (1) There shall be a retailer's license, to be known and designated as a spirits, beer, and wine restaurant license, to sell spirituous 9 10 liquor by the individual glass, beer, and wine, at retail, for consumption on the premises, including mixed drinks and cocktails 11 compounded or mixed on the premises only((: PROVIDED, That)). 12 However, a hotel, or club licensed under chapter 70.62 RCW with 13 overnight sleeping accommodations, that is licensed under this section 14 may sell liquor by the bottle to registered quests of the hotel or club 15 for consumption in guest rooms, hospitality rooms, or at banquets in 16 the hotel or club((: PROVIDED FURTHER, That)). A patron of a bona 17 fide hotel, restaurant, or club licensed under this section may remove 18 19 from the premises recorked or recapped in its original container any

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

14 (2) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and 15 wine restaurant license to sell for off-premises consumption wine 16 vinted and bottled in the state of Washington and carrying a label 17 exclusive to the license holder selling the wine. Spirits and beer may 18 not be sold for off-premises consumption under this section, except as 19 provided in subsection (4) of this section. The annual fee for the 20 21 endorsement under this subsection is one hundred twenty dollars.

22 (3) The holder of a spirits, beer, and wine license or its manager may furnish beer, wine, or spirituous liquor to the licensee's 23 24 employees free of charge as may be required for use in connection with 25 instruction on beer, wine, or spirituous liquor. The instruction may include the history, nature, values, and characteristics of beer, wine, 26 27 or spirituous liquor, the use of wine lists, and the methods of 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 31 sampling as part of the instruction. The instruction must be given on 32 the premises of the spirits, beer, and wine restaurant licensee.

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

3 **Sec. 2.** RCW 66.28.200 and 2003 c 53 s 296 are each amended to read 4 as follows:

(1) Licensees holding a beer and/or wine restaurant or a tavern 5 license in combination with an off-premises beer and wine retailer's 6 7 license or licensees holding a spirits, beer, and wine restaurant license with an endorsement issued under RCW 66.24.400(4) may sell malt 8 liquor in kegs or other containers capable of holding four gallons or 9 10 more of liquid. Under a special endorsement from the board, a grocery 11 store licensee may sell malt liquor in containers no larger than five and one-half gallons. The sale of any container holding four gallons 12 or more must comply with the provisions of this section and RCW 13 66.28.210 through 66.28.240. 14

15 (2) Any person who sells or offers for sale the contents of kegs or 16 other containers containing four gallons or more of malt liquor, or 17 leases kegs or other containers that will hold four gallons of malt 18 liquor, to consumers who are not licensed under chapter 66.24 RCW shall 19 do the following for any transaction involving the container:

20 (a) Require the purchaser of the malt liquor to sign a declaration 21 and receipt for the keg or other container or beverage in substantially 22 the form provided in RCW 66.28.220;

23 (b) Require the purchaser to provide one piece of identification 24 pursuant to RCW 66.16.040;

25 (c) Require the purchaser to sign a sworn statement, under penalty 26 of perjury, that:

(i) The purchaser is of legal age to purchase, possess, or use maltliquor;

(ii) The purchaser will not allow any person under the age of twenty-one years to consume the beverage except as provided by RCW 66.44.270;

32 (iii) The purchaser will not remove, obliterate, or allow to be 33 removed or obliterated, the identification required under RCW 66.28.220 34 to be affixed to the container;

35 (d) Require the purchaser to state the particular address where the 36 malt liquor will be consumed, or the particular address where the keg 37 or other container will be physically located; and

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1 (e) Require the purchaser to maintain a copy of the declaration and 2 receipt next to or adjacent to the keg or other container, in no event 3 a distance greater than five feet, and visible without a physical 4 barrier from the keg, during the time that the keg or other container 5 is in the purchaser's possession or control.

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(3) A violation of this section is a gross misdemeanor.

7 **Sec. 3.** RCW 66.28.220 and 2003 c 53 s 298 are each amended to read 8 as follows:

9 (1) The board shall adopt rules requiring retail licensees to affix 10 appropriate identification on all containers of four gallons or more of 11 malt liquor for the purpose of tracing the purchasers of such 12 containers. The rules may provide for identification to be done on a 13 statewide basis or on the basis of smaller geographical areas.

(2) The board shall develop and make available forms for the 14 declaration and receipt required by RCW 66.28.200. The board may 15 16 charge spirits, beer, and wine restaurant licensees with an endorsement 17 issued under RCW 66.24.400(4) and grocery store licensees for the costs of providing the forms and that money collected for the forms shall be 18 deposited into the liquor revolving fund for use by the board, without 19 20 further appropriation, to continue to administer the cost of the keq 21 registration program.

(3) It is unlawful for any person to sell or offer for sale kegs or other containers containing four gallons or more of malt liquor to consumers who are not licensed under chapter 66.24 RCW if the kegs or containers are not identified in compliance with rules adopted by the board.

27 (4) A violation of this section is a gross misdemeanor. Passed by the House March 9, 2007. Passed by the Senate April 3, 2007. Approved by the Governor April 17, 2007. Filed in Office of Secretary of State April 17, 2007.