

1 its products within the United States in accordance with a written
2 agreement between the authorized representative and such brewery or
3 winery pursuant to this title.

4 (3) "Beer" means any malt beverage, flavored malt beverage, or malt
5 liquor as these terms are defined in this chapter.

6 (4) "Beer distributor" means a person who buys beer from a domestic
7 brewery, microbrewery, beer certificate of approval holder, or beer
8 importers, or who acquires foreign produced beer from a source outside
9 of the United States, for the purpose of selling the same pursuant to
10 this title, or who represents such brewer or brewery as agent.

11 (5) "Beer importer" means a person or business within Washington
12 who purchases beer from a beer certificate of approval holder or who
13 acquires foreign produced beer from a source outside of the United
14 States for the purpose of selling the same pursuant to this title.

15 (6) "Board" means the liquor control board, constituted under this
16 title.

17 (7) "Brewer" or "brewery" means any person engaged in the business
18 of manufacturing beer and malt liquor. Brewer includes a brand owner
19 of malt beverages who holds a brewer's notice with the federal bureau
20 of alcohol, tobacco, and firearms at a location outside the state and
21 whose malt beverage is contract-produced by a licensed in-state
22 brewery, and who may exercise within the state, under a domestic
23 brewery license, only the privileges of storing, selling to licensed
24 beer distributors, and exporting beer from the state.

25 (8) "Club" means an organization of persons, incorporated or
26 unincorporated, operated solely for fraternal, benevolent, educational,
27 athletic or social purposes, and not for pecuniary gain.

28 (9) "Confection" means a preparation of sugar, honey, or other
29 natural or artificial sweeteners in combination with chocolate, fruits,
30 nuts, dairy products, or flavorings, in the form of bars, drops, or
31 pieces.

32 (10) "Consume" includes the putting of liquor to any use, whether
33 by drinking or otherwise.

34 (11) "Contract liquor store" means a business that sells liquor on
35 behalf of the board through a contract with a contract liquor store
36 manager.

37 (12) "Craft distillery" means a distillery that pays the reduced
38 licensing fee under RCW 66.24.140.

1 (13) "Dentist" means a practitioner of dentistry duly and regularly
2 licensed and engaged in the practice of his profession within the state
3 pursuant to chapter 18.32 RCW.

4 (14) "Distiller" means a person engaged in the business of
5 distilling spirits.

6 (15) "Domestic brewery" means a place where beer and malt liquor
7 are manufactured or produced by a brewer within the state.

8 (16) "Domestic winery" means a place where wines are manufactured
9 or produced within the state of Washington.

10 (17) "Drug store" means a place whose principal business is, the
11 sale of drugs, medicines and pharmaceutical preparations and maintains
12 a regular prescription department and employs a registered pharmacist
13 during all hours the drug store is open.

14 (18) "Druggist" means any person who holds a valid certificate and
15 is a registered pharmacist and is duly and regularly engaged in
16 carrying on the business of pharmaceutical chemistry pursuant to
17 chapter 18.64 RCW.

18 (19) "Employee" means any person employed by the board.

19 (20) "Flavored malt beverage" means:

20 (a) A malt beverage containing six percent or less alcohol by
21 volume to which flavoring or other added nonbeverage ingredients are
22 added that contain distilled spirits of not more than forty-nine
23 percent of the beverage's overall alcohol content; or

24 (b) A malt beverage containing more than six percent alcohol by
25 volume to which flavoring or other added nonbeverage ingredients are
26 added that contain distilled spirits of not more than one and one-half
27 percent of the beverage's overall alcohol content.

28 (21) "Fund" means 'liquor revolving fund.'

29 (22) "Hotel" means buildings, structures, and grounds, having
30 facilities for preparing, cooking, and serving food, that are kept,
31 used, maintained, advertised, or held out to the public to be a place
32 where food is served and sleeping accommodations are offered for pay to
33 transient guests, in which twenty or more rooms are used for the
34 sleeping accommodation of such transient guests. The buildings,
35 structures, and grounds must be located on adjacent property either
36 owned or leased by the same person or persons.

37 (23) "Importer" means a person who buys distilled spirits from a

1 distillery outside the state of Washington and imports such spirituous
2 liquor into the state for sale to the board or for export.

3 (24) "Imprisonment" means confinement in the county jail.

4 (25) "Liquor" includes the four varieties of liquor herein defined
5 (alcohol, spirits, wine and beer), and all fermented, spirituous,
6 vinous, or malt liquor, or combinations thereof, and mixed liquor, a
7 part of which is fermented, spirituous, vinous or malt liquor, or
8 otherwise intoxicating; and every liquid or solid or semisolid or other
9 substance, patented or not, containing alcohol, spirits, wine or beer,
10 and all drinks or drinkable liquids and all preparations or mixtures
11 capable of human consumption, and any liquid, semisolid, solid, or
12 other substance, which contains more than one percent of alcohol by
13 weight shall be conclusively deemed to be intoxicating. Liquor does
14 not include confections or food products that contain one percent or
15 less of alcohol by weight.

16 (26) "Liquor franchise" means a specific location designated by the
17 board where spirits, wine, and beer may be sold in original packages
18 for off-premises consumption, or where liquor may be sold to holders of
19 a permit to purchase.

20 (27) "Liquor franchise agreement" means approval by the board to
21 operate a liquor franchise in accordance with the provisions of this
22 title.

23 (28) "Liquor franchise applicant" means any person who submits an
24 application for a liquor franchise agreement to sell spirits, wine, and
25 beer in accordance with the provisions of this title.

26 (29) "Liquor franchise area" means a geographic area designated as
27 such by the board for the purpose of issuing franchise agreements.

28 (30) "Liquor franchise holder" means a person who has been granted
29 a liquor franchise agreement in accordance with the provisions of this
30 title.

31 (31) "Malt beverage" or "malt liquor" means any beverage such as
32 beer, ale, lager beer, stout, and porter obtained by the alcoholic
33 fermentation of an infusion or decoction of pure hops, or pure extract
34 of hops and pure barley malt or other wholesome grain or cereal in pure
35 water containing not more than eight percent of alcohol by weight, and
36 not less than one-half of one percent of alcohol by volume. For the
37 purposes of this title, any such beverage containing more than eight
38 percent of alcohol by weight shall be referred to as "strong beer."

1 ~~((+27))~~ (32) "Manufacturer" means a person engaged in the
2 preparation of liquor for sale, in any form whatsoever.

3 ~~((+28))~~ (33) "Nightclub" means an establishment that provides
4 entertainment and has as its primary source of revenue (a) the sale of
5 alcohol for consumption on the premises, (b) cover charges, or (c)
6 both, and has an occupancy load of one hundred or more.

7 ~~((+29))~~ (34) "Package" means any container or receptacle used for
8 holding liquor.

9 ~~((+30))~~ (35) "Passenger vessel" means any boat, ship, vessel,
10 barge, or other floating craft of any kind carrying passengers for
11 compensation.

12 ~~((+31))~~ (36) "Permit" means a permit for the purchase of liquor
13 under this title.

14 ~~((+32))~~ (37) "Person" means an individual, copartnership,
15 association, or corporation.

16 ~~((+33))~~ (38) "Physician" means a medical practitioner duly and
17 regularly licensed and engaged in the practice of his profession within
18 the state pursuant to chapter 18.71 RCW.

19 ~~((+34))~~ (39) "Prescription" means a memorandum signed by a
20 physician and given by him to a patient for the obtaining of liquor
21 pursuant to this title for medicinal purposes.

22 ~~((+35))~~ (40) "Public place" includes streets and alleys of
23 incorporated cities and towns; state or county or township highways or
24 roads; buildings and grounds used for school purposes; public dance
25 halls and grounds adjacent thereto; those parts of establishments where
26 beer may be sold under this title, soft drink establishments, public
27 buildings, public meeting halls, lobbies, halls and dining rooms of
28 hotels, restaurants, theatres, stores, garages and filling stations
29 which are open to and are generally used by the public and to which the
30 public is permitted to have unrestricted access; railroad trains,
31 stages, and other public conveyances of all kinds and character, and
32 the depots and waiting rooms used in conjunction therewith which are
33 open to unrestricted use and access by the public; publicly owned
34 bathing beaches, parks, and/or playgrounds; and all other places of
35 like or similar nature to which the general public has unrestricted
36 right of access, and which are generally used by the public.

37 ~~((+36))~~ (41) "Regulations" means regulations made by the board
38 under the powers conferred by this title.

1 ((+37+)) (42) "Restaurant" means any establishment provided with
2 special space and accommodations where, in consideration of payment,
3 food, without lodgings, is habitually furnished to the public, not
4 including drug stores and soda fountains.

5 ((+38+)) (43) "Sale" and "sell" include exchange, barter, and
6 traffic; and also include the selling or supplying or distributing, by
7 any means whatsoever, of liquor, or of any liquid known or described as
8 beer or by any name whatever commonly used to describe malt or brewed
9 liquor or of wine, by any person to any person; and also include a sale
10 or selling within the state to a foreign consignee or his agent in the
11 state. "Sale" and "sell" shall not include the giving, at no charge,
12 of a reasonable amount of liquor by a person not licensed by the board
13 to a person not licensed by the board, for personal use only. "Sale"
14 and "sell" also does not include a raffle authorized under RCW
15 9.46.0315(~~(:—PROVIDED, That)~~). However, the nonprofit organization
16 conducting the raffle has obtained the appropriate permit from the
17 board.

18 ((+39+)) (44) "Soda fountain" means a place especially equipped
19 with apparatus for the purpose of dispensing soft drinks, whether mixed
20 or otherwise.

21 ((+40+)) (45) "Spirits" means any beverage which contains alcohol
22 obtained by distillation, except flavored malt beverages, but including
23 wines exceeding twenty-four percent of alcohol by volume.

24 ((+41+)) (46) "Store" means a state liquor store established under
25 this title.

26 ((+42+)) (47) "Tavern" means any establishment with special space
27 and accommodation for sale by the glass and for consumption on the
28 premises, of beer, as herein defined.

29 ((+43+)) (48)(a) "Wine" means any alcoholic beverage obtained by
30 fermentation of fruits (grapes, berries, apples, et cetera) or other
31 agricultural product containing sugar, to which any saccharine
32 substances may have been added before, during or after fermentation,
33 and containing not more than twenty-four percent of alcohol by volume,
34 including sweet wines fortified with wine spirits, such as port,
35 sherry, muscatel and angelica, not exceeding twenty-four percent of
36 alcohol by volume and not less than one-half of one percent of alcohol
37 by volume. For purposes of this title, any beverage containing no more
38 than fourteen percent of alcohol by volume when bottled or packaged by

1 the manufacturer shall be referred to as "table wine," and any beverage
2 containing alcohol in an amount more than fourteen percent by volume
3 when bottled or packaged by the manufacturer shall be referred to as
4 "fortified wine." However, "fortified wine" (~~shall~~) does not
5 include: (i) Wines that are both sealed or capped by cork closure and
6 aged two years or more; and (ii) wines that contain more than fourteen
7 percent alcohol by volume solely as a result of the natural
8 fermentation process and that have not been produced with the addition
9 of wine spirits, brandy, or alcohol.

10 (b) This subsection shall not be interpreted to require that any
11 wine be labeled with the designation "table wine" or "fortified wine."

12 (~~(44)~~) (49) "Wine distributor" means a person who buys wine from
13 a domestic winery, wine certificate of approval holder, or wine
14 importer, or who acquires foreign produced wine from a source outside
15 of the United States, for the purpose of selling the same not in
16 violation of this title, or who represents such vintner or winery as
17 agent.

18 (~~(45)~~) (50) "Wine importer" means a person or business within
19 Washington who purchases wine from a wine certificate of approval
20 holder or who acquires foreign produced wine from a source outside of
21 the United States for the purpose of selling the same pursuant to this
22 title.

23 (~~(46)~~) (51) "Winery" means a business conducted by any person for
24 the manufacture of wine for sale, other than a domestic winery.

25 **Sec. 202.** RCW 66.08.030 and 2002 c 119 s 2 are each amended to
26 read as follows:

27 (1) For the purpose of carrying into effect the provisions of this
28 title according to their true intent or of supplying any deficiency
29 therein, the board may make such regulations not inconsistent with the
30 spirit of this title as are deemed necessary or advisable. All
31 regulations so made shall be a public record and shall be filed in the
32 office of the code reviser, and thereupon shall have the same force and
33 effect as if incorporated in this title. Such regulations, together
34 with a copy of this title, shall be published in pamphlets and shall be
35 distributed as directed by the board.

36 (2) Without thereby limiting the generality of the provisions

1 contained in subsection (1) of this section, it is declared that the
2 power of the board to make regulations in the manner set out in that
3 subsection (~~shall~~) extends to:

4 (a) Regulating the equipment and management of liquor franchises
5 and stores and warehouses in which state liquor is sold or kept, and
6 prescribing the books and records to be kept therein and the reports to
7 be made thereon to the board;

8 (b) Prescribing the duties of the employees of the board, and
9 regulating their conduct in the discharge of their duties;

10 (c) Governing the purchase of liquor by the state and the
11 furnishing of liquor to stores established under this title;

12 (d) Determining the classes, varieties, and brands of liquor to be
13 kept for sale at any store;

14 (e) Prescribing(~~(, subject to RCW 66.16.080, the hours during which~~
15 ~~the state liquor stores shall be kept open for the sale of liquor)~~ the
16 hours of operation for a liquor franchise encompassing a retail area
17 less than ten thousand square feet;

18 (f) Providing for the issuing and distributing of price lists
19 showing the price to be paid by purchasers for each variety of liquor
20 kept for sale under this title;

21 (g) Prescribing an official seal and official labels and stamps and
22 determining the manner in which they shall be attached to every package
23 of liquor sold or sealed under this title, including the prescribing of
24 different official seals or different official labels for different
25 classes of liquor;

26 (h) Providing for the payment by the board in whole or in part of
27 the carrying charges on liquor shipped by freight or express;

28 (i) Prescribing forms to be used for purposes of this title or the
29 regulations, and the terms and conditions to be contained in permits
30 and licenses issued under this title, and the qualifications for
31 receiving a permit or license issued under this title, including a
32 criminal history record information check. The board may submit the
33 criminal history record information check to the Washington state
34 patrol and to the identification division of the federal bureau of
35 investigation in order that these agencies may search their records for
36 prior arrests and convictions of the individual or individuals who
37 filled out the forms. The board shall require fingerprinting of any

1 applicant whose criminal history record information check is submitted
2 to the federal bureau of investigation;

3 (j) Prescribing the fees payable in respect of permits and licenses
4 and liquor franchise agreements issued under this title for which no
5 fees are prescribed in this title, and prescribing the fees for
6 anything done or permitted to be done under the regulations;

7 (k) Prescribing the kinds and quantities of liquor which may be
8 kept on hand by the holder of a special permit for the purposes named
9 in the permit, regulating the manner in which the same shall be kept
10 and disposed of, and providing for the inspection of the same at any
11 time at the instance of the board;

12 (l) Regulating the sale of liquor kept by the holders of licenses
13 and liquor franchise agreements which entitle the holder to purchase
14 and keep liquor for sale;

15 (m) Prescribing the records of purchases or sales of liquor kept by
16 the holders of licenses and liquor franchise agreements, and the
17 reports to be made thereon to the board, and providing for inspection
18 of the records so kept;

19 (n) Prescribing the kinds and quantities of liquor for which a
20 prescription may be given, and the number of prescriptions which may be
21 given to the same patient within a stated period;

22 (o) Prescribing the manner of giving and serving notices required
23 by this title or the regulations, where not otherwise provided for in
24 this title;

25 (p) Regulating premises in which liquor is kept for export from the
26 state, or from which liquor is exported, prescribing the books and
27 records to be kept therein and the reports to be made thereon to the
28 board, and providing for the inspection of the premises and the books,
29 records and the liquor so kept;

30 (q) Prescribing the conditions and qualifications requisite for the
31 obtaining of club licenses and the books and records to be kept and the
32 returns to be made by clubs, prescribing the manner of licensing clubs
33 in any municipality or other locality, and providing for the inspection
34 of clubs;

35 (r) Prescribing the conditions, accommodations and qualifications
36 requisite for the obtaining of licenses to sell beer and wines, and
37 regulating the sale of beer and wines thereunder;

1 (s) Specifying and regulating the time and periods when, and the
2 manner, methods and means by which manufacturers shall deliver liquor
3 within the state; and the time and periods when, and the manner,
4 methods and means by which liquor may lawfully be conveyed or carried
5 within the state;

6 (t) Providing for the making of returns by brewers of their sales
7 of beer shipped within the state, or from the state, showing the gross
8 amount of such sales and providing for the inspection of brewers' books
9 and records, and for the checking of the accuracy of any such returns;

10 (u) Providing for the making of returns by the wholesalers of beer
11 whose breweries are located beyond the boundaries of the state;

12 (v) Providing for the making of returns by any other liquor
13 manufacturers, showing the gross amount of liquor produced or
14 purchased, the amount sold within and exported from the state, and to
15 whom so sold or exported, and providing for the inspection of the
16 premises of any such liquor manufacturers, their books and records, and
17 for the checking of any such return;

18 (w) Providing for the giving of fidelity bonds by any or all of the
19 employees of the board(~~(+—PROVIDED, That)~~). However, the premiums
20 therefor shall be paid by the board;

21 (x) Providing for the shipment by mail or common carrier of liquor
22 to any person holding a permit and residing in any unit which has, by
23 election pursuant to this title, prohibited the sale of liquor therein;

24 (y) Prescribing methods of manufacture, conditions of sanitation,
25 standards of ingredients, quality and identity of alcoholic beverages
26 manufactured, sold, bottled, or handled by licensees and the board; and
27 conducting from time to time, in the interest of the public health and
28 general welfare, scientific studies and research relating to alcoholic
29 beverages and the use and effect thereof;

30 (z) Seizing, confiscating and destroying all alcoholic beverages
31 manufactured, sold or offered for sale within this state which do not
32 conform in all respects to the standards prescribed by this title or
33 the regulations of the board(~~(+—PROVIDED,)~~). Nothing herein contained
34 shall be construed as authorizing the liquor board to prescribe, alter,
35 limit or in any way change the present law as to the quantity or
36 percentage of alcohol used in the manufacturing of wine or other
37 alcoholic beverages.

1 **Sec. 203.** RCW 66.08.070 and 1985 c 226 s 2 are each amended to
2 read as follows:

3 (1) Every order for the purchase of liquor shall be authorized by
4 the board, and no order for liquor shall be valid or binding unless it
5 is so authorized and signed by the board or its authorized designee.

6 (2) A duplicate of every such order shall be kept on file in the
7 office of the board.

8 (3) All cancellations of such orders made by the board shall be
9 signed in the same manner and duplicates thereof kept on file in the
10 office of the board. Nothing in this title shall be construed as
11 preventing the board from accepting liquor on consignment.

12 (4) In the purchase of wine or malt beverages the board shall not
13 require, as a term or condition of purchase, any warranty or
14 affirmation with respect to the relationship of the price charged the
15 board to any price charged any other buyer.

16 (5) This section does not apply to liquor franchises pursuant to
17 this title.

18 **Sec. 204.** RCW 66.08.130 and 1981 1st ex.s. c 5 s 4 are each
19 amended to read as follows:

20 For the purpose of obtaining information concerning any matter
21 relating to the administration or enforcement of this title, the board,
22 or any person appointed by it in writing for the purpose, may inspect
23 the books and records of

24 (1) any manufacturer;

25 (2) any license holder;

26 (3) any liquor franchise holder;

27 (4) any drug store holding a permit to sell on prescriptions;

28 ~~((+4))~~ (5) the freight and express books and records and all
29 waybills, bills of lading, receipts and documents in the possession of
30 any common carrier doing business within the state, containing any
31 information or record relating to any goods shipped or carried, or
32 consigned or received for shipment or carriage within the state. Every
33 manufacturer, license holder, liquor franchise holder, drug store
34 holding a permit to sell on prescriptions, and common carrier, and
35 every owner or officer or employee of the foregoing, who neglects or
36 refuses to produce and submit for inspection any book, record or

1 document referred to in this section when requested to do so by the
2 board or by a person so appointed by it shall be guilty of a violation
3 of this title.

4 **Sec. 205.** RCW 66.08.140 and 1945 c 48 s 1 are each amended to read
5 as follows:

6 For the purpose of obtaining information concerning any matter
7 relating to the administration or enforcement of this title, the board,
8 or any person appointed by it in writing for the purpose, may inspect
9 the books, documents and records of any person lending money to or in
10 any manner financing any license, or liquor franchise agreement, holder
11 or applicant for license, or liquor franchise holder insofar as such
12 books, documents and/or records pertain to the financial transaction
13 involved. Every person who neglects or refuses to produce and submit
14 for inspection any book, record or document as required by this section
15 when requested to do so by the board or by a person duly appointed by
16 it shall be guilty of a violation of this title.

17 **Sec. 206.** RCW 66.08.150 and 2007 c 370 s 3 are each amended to
18 read as follows:

19 The action, order, or decision of the board as to any denial of an
20 application for the reissuance of a permit ~~((or))~~, license, or liquor
21 franchise agreement or as to any revocation, suspension, or
22 modification of any permit ~~((or))~~, license, or liquor franchise
23 agreement shall be an adjudicative proceeding and subject to the
24 applicable provisions of chapter 34.05 RCW.

25 (1) An opportunity for a hearing may be provided an applicant for
26 the reissuance of a permit ~~((or))~~, license, or liquor franchise
27 agreement prior to the disposition of the application, and if no such
28 opportunity for a prior hearing is provided then an opportunity for a
29 hearing to reconsider the application must be provided the applicant.

30 (2) An opportunity for a hearing must be provided a permittee
31 ~~((or))~~, licensee, or liquor franchise holder prior to a revocation or
32 modification of any permit ~~((or))~~, license, or liquor franchise
33 agreement and, except as provided in subsection (4) of this section,
34 prior to the suspension of any permit ~~((or))~~, license, or liquor
35 franchise agreement.

1 (3) No hearing shall be required until demanded by the applicant,
2 permittee, (~~(or)~~) licensee, or liquor franchise holder.

3 (4) The board may summarily suspend a license (~~(or)~~), permit, or
4 liquor franchise agreement for a period of up to one hundred eighty
5 days without a prior hearing if it finds that public health, safety, or
6 welfare imperatively require emergency action, and it incorporates a
7 finding to that effect in its order. Proceedings for revocation or
8 other action must be promptly instituted and determined. An
9 administrative law judge may extend the summary suspension period for
10 up to one calendar year in the event the proceedings for revocation or
11 other action cannot be completed during the initial one hundred eighty
12 day period due to actions by the (~~(licensee or)~~) permittee, licensee,
13 or liquor franchise holder. The board's enforcement division shall
14 complete a preliminary staff investigation of the violation before
15 requesting an emergency suspension by the board.

16 **Sec. 207.** RCW 66.24.010 and 2009 c 271 s 6 are each amended to
17 read as follows:

18 (1) Every license and liquor franchise agreement shall be issued in
19 the name of the applicant, and the holder thereof shall not allow any
20 other person to use the license.

21 (2) For the purpose of considering any application for a license or
22 liquor franchise agreement, or the renewal of a license or liquor
23 franchise agreement, the board may cause an inspection of the premises
24 to be made, and may inquire into all matters in connection with the
25 construction and operation of the premises. For the purpose of
26 reviewing any application for a license or liquor franchise agreement
27 and for considering the denial, suspension, revocation, or renewal or
28 denial thereof, of any license or liquor franchise agreement, the
29 liquor control board may consider any prior criminal conduct of the
30 applicant including an administrative violation history record with the
31 board and a criminal history record information check. The board may
32 submit the criminal history record information check to the Washington
33 state patrol and to the identification division of the federal bureau
34 of investigation in order that these agencies may search their records
35 for prior arrests and convictions of the individual or individuals who
36 filled out the forms. The board shall require fingerprinting of any
37 applicant whose criminal history record information check is submitted

1 to the federal bureau of investigation. The provisions of RCW 9.95.240
2 and of chapter 9.96A RCW (~~shall~~) do not apply to such cases. Subject
3 to the provisions of this section, the board may, in its discretion,
4 grant or deny the renewal or license or liquor franchise agreement
5 applied for. Denial may be based on, without limitation, the existence
6 of chronic illegal activity documented in objections submitted pursuant
7 to subsections (8)(d) and (12) of this section. Authority to approve
8 an uncontested or unopposed license or liquor franchise agreement may
9 be granted by the board to any staff member the board designates in
10 writing. Conditions for granting such authority shall be adopted by
11 rule. No retail license or liquor franchise agreement of any kind may
12 be issued to:

13 (a) A person doing business as a sole proprietor who has not
14 resided in the state for at least one month prior to receiving a
15 license, except in cases of licenses or liquor franchise agreements
16 issued to dining places on railroads, boats, or aircraft;

17 (b) A copartnership, unless all of the members thereof are
18 qualified to obtain a license or liquor franchise agreement, as
19 provided in this section;

20 (c) A person whose place of business is conducted by a manager or
21 agent, unless such manager or agent possesses the same qualifications
22 required of the licensee, or liquor franchise holder;

23 (d) A corporation or a limited liability company, unless it was
24 created under the laws of the state of Washington or holds a
25 certificate of authority to transact business in the state of
26 Washington.

27 (3)(a) The board may, in its discretion, subject to the provisions
28 of RCW 66.08.150, suspend or cancel any license or liquor franchise
29 agreement; and all rights of the licensee, or liquor franchise holder
30 to keep or sell liquor thereunder shall be suspended or terminated, as
31 the case may be.

32 (b) The board shall immediately suspend the license (~~or~~)
33 certificate, or liquor franchise agreement of a person who has been
34 certified pursuant to RCW 74.20A.320 by the department of social and
35 health services as a person who is not in compliance with a support
36 order. If the person has continued to meet all other requirements for
37 reinstatement during the suspension, reissuance of the license (~~or~~)
38 certificate (~~shall be~~), or liquor franchise agreement is automatic

1 upon the board's receipt of a release issued by the department of
2 social and health services stating that the licensee, or liquor
3 franchise holder is in compliance with the order.

4 (c) The board may request the appointment of administrative law
5 judges under chapter 34.12 RCW who shall have power to administer
6 oaths, issue subpoenas for the attendance of witnesses and the
7 production of papers, books, accounts, documents, and testimony,
8 examine witnesses, and to receive testimony in any inquiry,
9 investigation, hearing, or proceeding in any part of the state, under
10 such rules and regulations as the board may adopt.

11 (d) Witnesses shall be allowed fees and mileage each way to and
12 from any such inquiry, investigation, hearing, or proceeding at the
13 rate authorized by RCW 34.05.446. Fees need not be paid in advance of
14 appearance of witnesses to testify or to produce books, records, or
15 other legal evidence.

16 (e) In case of disobedience of any person to comply with the order
17 of the board or a subpoena issued by the board, or any of its members,
18 or administrative law judges, or on the refusal of a witness to testify
19 to any matter regarding which he or she may be lawfully interrogated,
20 the judge of the superior court of the county in which the person
21 resides, on application of any member of the board or administrative
22 law judge, shall compel obedience by contempt proceedings, as in the
23 case of disobedience of the requirements of a subpoena issued from said
24 court or a refusal to testify therein.

25 (4) Upon receipt of notice of the suspension or cancellation of a
26 license or liquor franchise agreement, the licensee, or liquor
27 franchise holder shall forthwith deliver up the license to the board.
28 Where the license or liquor franchise agreement has been suspended
29 only, the board shall return the license or liquor franchise agreement
30 to the licensee, or liquor franchise holder at the expiration or
31 termination of the period of suspension. The board shall notify all
32 vendors in the city or place where the licensee, or liquor franchise
33 holder has its premises of the suspension or cancellation of the
34 license or liquor franchise agreement; and no employee may allow or
35 cause any liquor to be delivered to or for any person at the premises
36 of that licensee, or liquor franchise holder.

37 (5)(a) At the time of the original issuance of a spirits, beer, and
38 wine restaurant license, the board shall prorate the license fee

1 charged to the new licensee according to the number of calendar
2 quarters, or portion thereof, remaining until the first renewal of that
3 license is required.

4 (b) Unless sooner canceled, every license issued by the board shall
5 expire at midnight of the thirtieth day of June of the fiscal year for
6 which it was issued. However, if the board deems it feasible and
7 desirable to do so, it may establish, by rule pursuant to chapter 34.05
8 RCW, a system for staggering the annual renewal dates for any and all
9 licenses authorized by this chapter. If such a system of staggered
10 annual renewal dates is established by the board, the license fees
11 provided by this chapter shall be appropriately prorated during the
12 first year that the system is in effect.

13 (6) Every license or liquor franchise agreement issued under this
14 section shall be subject to all conditions and restrictions imposed by
15 this title or by rules adopted by the board. All conditions and
16 restrictions imposed by the board in the issuance of an individual
17 license or liquor franchise agreement shall be listed on the face of
18 the individual license or liquor franchise agreement along with the
19 trade name, address, and expiration date.

20 (7) Every licensee, or liquor franchise holder shall post and keep
21 posted its license, (~~(or)~~) licenses, or liquor franchise agreement, in
22 a conspicuous place on the premises.

23 (8)(a) Unless (b) of this subsection applies, before the board
24 issues a new or renewal license or liquor franchise agreement to an
25 applicant it shall give notice of such application to the chief
26 executive officer of the incorporated city or town, if the application
27 is for a license within an incorporated city or town, or to the county
28 legislative authority, if the application is for a license or liquor
29 franchise agreement outside the boundaries of incorporated cities or
30 towns.

31 (b) If the application for a special occasion license or liquor
32 franchise agreement is for an event held during a county, district, or
33 area fair as defined by RCW 15.76.120, and the county, district, or
34 area fair is located on property owned by the county but located within
35 an incorporated city or town, the county legislative authority shall be
36 the entity notified by the board under (a) of this subsection. The
37 board shall send a duplicate notice to the incorporated city or town
38 within which the fair is located.

1 (c) The incorporated city or town through the official or employee
2 selected by it, or the county legislative authority or the official or
3 employee selected by it, (~~shall have~~) has the right to file with the
4 board within twenty days after the date of transmittal of such notice
5 for applications, or at least thirty days prior to the expiration date
6 for renewals, written objections against the applicant or against the
7 premises for which the new or renewal license or liquor franchise
8 agreement is asked. The board may extend the time period for
9 submitting written objections.

10 (d) The written objections shall include a statement of all facts
11 upon which such objections are based, and in case written objections
12 are filed, the city or town or county legislative authority may request
13 and the liquor control board may in its discretion hold a hearing
14 subject to the applicable provisions of Title 34 RCW. If the board
15 makes an initial decision to deny a license (~~or~~), renewal, or liquor
16 franchise agreement based on the written objections of an incorporated
17 city or town or county legislative authority, the applicant may request
18 a hearing subject to the applicable provisions of Title 34 RCW. If
19 such a hearing is held at the request of the applicant, liquor control
20 board representatives shall present and defend the board's initial
21 decision to deny a license (~~or~~), renewal, or liquor franchise
22 agreement.

23 (e) Upon the granting of a license or liquor franchise agreement
24 under this title the board shall send written notification to the chief
25 executive officer of the incorporated city or town in which the license
26 or liquor franchise agreement is granted, or to the county legislative
27 authority if the license or liquor franchise agreement is granted
28 outside the boundaries of incorporated cities or towns. When the
29 license or liquor franchise agreement is for a special occasion license
30 or liquor franchise agreement for an event held during a county,
31 district, or area fair as defined by RCW 15.76.120, and the county,
32 district, or area fair is located on county-owned property but located
33 within an incorporated city or town, the written notification shall be
34 sent to both the incorporated city or town and the county legislative
35 authority.

36 (9)(a) Before the board issues any license or liquor franchise
37 agreement to any applicant, it shall give (i) due consideration to the
38 location of the business to be conducted under such license or liquor

1 franchise agreement with respect to the proximity of churches, schools,
2 and public institutions and (ii) written notice, with receipt
3 verification, of the application to public institutions identified by
4 the board as appropriate to receive such notice, churches, and schools
5 within five hundred feet of the premises (~~to be licensed~~). The board
6 shall not issue a liquor license for either on-premises or off-premises
7 consumption covering any premises not now licensed, if such premises
8 are within five hundred feet of the premises of any tax-supported
9 public elementary or secondary school measured along the most direct
10 route over or across established public walks, streets, or other public
11 passageway from the main entrance of the school to the nearest public
12 entrance of the premises proposed for license or liquor franchise
13 agreement, and if, after receipt by the school of the notice as
14 provided in this subsection, the board receives written objection,
15 within twenty days after receiving such notice, from an official
16 representative or representatives of the school within five hundred
17 feet of said proposed licensed premises, indicating to the board that
18 there is an objection to the issuance of such license or liquor
19 franchise agreement because of proximity to a school. The board may
20 extend the time period for submitting objections. For the purpose of
21 this section, "church" means a building erected for and used
22 exclusively for religious worship and schooling or other activity in
23 connection therewith. For the purpose of this section, "public
24 institution" means institutions of higher education, parks, community
25 centers, libraries, and transit centers.

26 (b) No liquor license may be issued or reissued by the board to any
27 motor sports facility (~~or~~), licensee, or liquor franchise agreement
28 operating within the motor sports facility unless the motor sports
29 facility enforces a program reasonably calculated to prevent alcohol or
30 alcoholic beverages not purchased within the facility from entering the
31 facility and such program is approved by local law enforcement
32 agencies.

33 (c) It is the intent under this subsection (9) that a retail
34 license or liquor franchise agreement shall not be issued by the board
35 where doing so would, in the judgment of the board, adversely affect a
36 private school meeting the requirements for private schools under Title
37 28A RCW, which school is within five hundred feet of the proposed
38 licensee, or liquor franchise holder. The board shall fully consider

1 and give substantial weight to objections filed by private schools. If
2 a license or liquor franchise agreement is issued despite the proximity
3 of a private school, the board shall state in a letter addressed to the
4 private school the board's reasons for issuing the license or liquor
5 franchise agreement.

6 (10) The restrictions set forth in subsection (9) of this section
7 shall not prohibit the board from authorizing the assumption of
8 existing licenses now located within the restricted area by other
9 persons or licenses or relocations of existing licensed premises within
10 the restricted area. In no case may the licensed premises be moved
11 closer to a church or school than it was before the assumption or
12 relocation.

13 (11)(a) Nothing in this section prohibits the board, in its
14 discretion, from issuing a temporary retail or distributor license to
15 an applicant to operate the retail or distributor premises during the
16 period the application for the license is pending. The board may
17 establish a fee for a temporary license by rule.

18 (b) A temporary license issued by the board under this section
19 shall be for a period not to exceed sixty days. A temporary license
20 may be extended at the discretion of the board for additional periods
21 of sixty days upon payment of an additional fee and upon compliance
22 with all conditions required in this section.

23 (c) Refusal by the board to issue or extend a temporary license
24 shall not entitle the applicant to request a hearing. A temporary
25 license may be canceled or suspended summarily at any time if the board
26 determines that good cause for cancellation or suspension exists. RCW
27 66.08.130 applies to temporary licenses.

28 (d) Application for a temporary license shall be on such form as
29 the board shall prescribe. If an application for a temporary license
30 is withdrawn before issuance or is refused by the board, the fee which
31 accompanied such application shall be refunded in full.

32 (12) In determining whether to grant or deny a license or renewal
33 of any license, the board shall give substantial weight to objections
34 from an incorporated city or town or county legislative authority based
35 upon chronic illegal activity associated with the applicant's
36 operations of the premises proposed to be licensed or the applicant's
37 operation of any other licensed premises, or the conduct of the
38 applicant's patrons inside or outside the licensed premises. "Chronic

1 illegal activity" means (a) a pervasive pattern of activity that
2 threatens the public health, safety, and welfare of the city, town, or
3 county including, but not limited to, open container violations,
4 assaults, disturbances, disorderly conduct, or other criminal law
5 violations, or as documented in crime statistics, police reports,
6 emergency medical response data, calls for service, field data, or
7 similar records of a law enforcement agency for the city, town, county,
8 or any other municipal corporation or any state agency; or (b) an
9 unreasonably high number of citations for violations of RCW 46.61.502
10 associated with the applicant's or licensee's operation of any licensed
11 premises as indicated by the reported statements given to law
12 enforcement upon arrest.

13 **Sec. 208.** RCW 66.24.012 and 1997 c 58 s 862 are each amended to
14 read as follows:

15 The board shall immediately suspend the license or liquor franchise
16 agreement of a person who has been certified pursuant to RCW 74.20A.320
17 by the department of social and health services as a person who is not
18 in compliance with a support order or a residential or visitation
19 order. If the person has continued to meet all other requirements for
20 reinstatement during the suspension, reissuance of the license or
21 liquor franchise agreement shall be automatic upon the board's receipt
22 of a release issued by the department of social and health services
23 stating that the licensee or liquor franchise holder is in compliance
24 with the order.

25 **Sec. 209.** RCW 66.24.015 and 1988 c 200 s 4 are each amended to
26 read as follows:

27 An application for a new annual retail license under this title
28 shall be accompanied by payment of a nonrefundable seventy-five dollar
29 fee to cover expenses incurred in processing the application. If the
30 application is approved, the application fee shall be applied toward
31 the fee charged for the license. An application for a liquor franchise
32 agreement under this title shall be accompanied by a nonrefundable fee
33 to be determined by the board by rule. If the liquor franchise
34 application is approved, the application fee shall be applied toward
35 the fee charged for the license.

1 **Sec. 210.** RCW 66.24.025 and 2002 c 119 s 4 are each amended to
2 read as follows:

3 (1) If the board approves, a license or liquor franchise agreement
4 may be transferred, without charge, to the surviving spouse only of a
5 deceased licensee or liquor franchise holder if the parties were
6 maintaining a marital community and the license or liquor franchise
7 agreement was issued in the names of one or both of the parties. For
8 the purpose of considering the qualifications of the surviving party or
9 parties to receive a liquor license or liquor franchise agreement, the
10 liquor control board may require a criminal history record information
11 check. The board may submit the criminal history record information
12 check to the Washington state patrol and to the identification division
13 of the federal bureau of investigation in order that these agencies may
14 search their records for prior arrests and convictions of the
15 individual or individuals who filled out the forms. The board shall
16 require fingerprinting of any applicant whose criminal history record
17 information check is submitted to the federal bureau of investigation.

18 (2) The proposed sale of more than ten percent of the outstanding
19 and/or issued stock of a licensed corporation or any proposed change in
20 the officers of a licensed corporation must be reported to the board,
21 and board approval must be obtained before such changes are made. A
22 fee of seventy-five dollars will be charged for the processing of such
23 change of stock ownership and/or corporate officers.

24 **Sec. 211.** RCW 66.24.120 and 1973 1st ex.s. c 209 s 12 are each
25 amended to read as follows:

26 The board in suspending any license or liquor franchise agreement
27 may further provide in the order of suspension that such suspension
28 shall be vacated upon payment to the board by the licensee or liquor
29 franchise holder of a monetary penalty in an amount then fixed by the
30 board.

31 **Sec. 212.** RCW 66.44.200 and 1998 c 259 s 1 are each amended to
32 read as follows:

33 (1) No person shall sell any liquor to any person apparently under
34 the influence of liquor.

35 (2)(a) No person who is apparently under the influence of liquor

1 may purchase or consume liquor on any premises licensed by the board or
2 any liquor franchise designated by the board.

3 (b) A violation of this subsection is an infraction punishable by
4 a fine of not more than five hundred dollars.

5 (c) A defendant's intoxication may not be used as a defense in an
6 action under this subsection.

7 ~~((d) Until July 1, 2000, every establishment licensed under RCW
8 66.24.330 or 66.24.420 shall conspicuously post in the establishment
9 notice of the prohibition against the purchase or consumption of liquor
10 under this subsection.))~~

11 (3) An administrative action for violation of subsection (1) of
12 this section and an infraction issued for violation of subsection (2)
13 of this section arising out of the same incident are separate actions
14 and the outcome of one shall not determine the outcome of the other.

15 **Sec. 213.** RCW 66.44.318 and 1995 c 100 s 2 are each amended to
16 read as follows:

17 Licensees holding nonretail class liquor licenses and liquor
18 franchise holders are permitted to allow their employees between
19 ~~((the))~~ the ages of eighteen and twenty-one to stock, merchandise,
20 and handle liquor, beer, or wine on or about the nonretail premises if
21 there is an adult twenty-one years of age or older on duty supervising
22 such activities on the premises.

23 **Sec. 214.** RCW 66.44.340 and 1999 c 281 s 11 are each amended to
24 read as follows:

25 Employers holding grocery store or beer and/or wine specialty shop
26 licenses and liquor franchise holders exclusively are permitted to
27 allow their employees, between the ages of eighteen and twenty-one
28 years, to sell, stock, and handle liquor, beer, or wine in, on or about
29 any establishment holding a grocery store or beer and/or wine specialty
30 shop license or liquor franchise agreement exclusively ~~((:—PROVIDED,
31 That))~~ if there is an adult twenty-one years of age or older on duty
32 supervising the sale of liquor at the licensed premises ~~((:—PROVIDED,
33 That)).~~ Minor employees may make deliveries of beer and/or wine
34 purchased from licensees holding grocery store or beer and/or wine
35 specialty shop licenses exclusively, when delivery is made to cars of

1 customers adjacent to such licensed premises but only, however, when
2 the minor employee is accompanied by the purchaser.

3 NEW SECTION. **Sec. 215.** A new section is added to chapter 66.08
4 RCW to read as follows:

5 (1) By July 1, 2013, the board must close all state liquor stores
6 and state liquor distribution facilities, and must sell at auction all
7 assets pertaining to the state sale and distribution of liquor. Funds
8 received from these auctions shall be deposited in the state general
9 fund.

10 (2)(a) By July 1, 2013, the board must:

11 (i) Determine liquor franchise areas throughout the state in which
12 a certain number of liquor franchises can be located;

13 (ii) Establish criteria for the placement of liquor franchises in
14 liquor franchise areas, including input gained from cities, counties,
15 towns, schools, churches, and public institutions pursuant to RCW
16 66.24.010, and the amount of the purchase price offered by the liquor
17 franchise applicant;

18 (iii) Collect information from incorporated cities and towns
19 regarding acceptable locations for liquor franchises within their
20 boundaries. The board must not locate liquor franchises in any
21 locations that have not been deemed acceptable by cities and towns;

22 (iv) Award liquor franchise agreements to applicants in all liquor
23 franchise areas;

24 (v) Grant a liquor franchise agreement to a liquor franchise
25 applicant who has paid applicable fees, has retail sales of grocery
26 products for off-premises consumption that are more than forty percent
27 of the applicant's gross sales, and operates a fully enclosed retail
28 area encompassing at least ten thousand square feet. The board may
29 issue a liquor franchise to an applicant with a retail area
30 encompassing less than ten thousand square feet if the board determines
31 that no applicant in the community the applicant serves meets the
32 square footage requirement and the applicant meets operational
33 requirements established by the board by rule or the applicant has
34 obtained the approval of local government;

35 (vi) Grant a liquor franchise agreement to a liquor franchise
36 applicant who has paid applicable fees and is a membership organization

1 that requires members to be eighteen years of age and operates a fully
2 enclosed retail area encompassing at least ten thousand square feet;
3 and

4 (vii) Grant a liquor franchise agreement to a liquor franchise
5 applicant who has paid applicable fees and is a federally recognized
6 tribe with a current state contract for the sales of spirits, wine, or
7 beer.

8 (b) For the purposes of subsection (a)(v) through (vii) of this
9 subsection (2), no liquor franchise applicant can be granted a liquor
10 franchise agreement if the liquor franchise applicant has had more than
11 one public safety violation within the past two years.

12 (3) The board shall provide an orderly transition from state liquor
13 store sales to liquor franchise sales.

14 (4) After July 1, 2013, it is unlawful for the board to lease space
15 for or to operate a state retail or wholesale liquor store.

16 (5) Nothing in this section shall be construed to eliminate liquor
17 vendors as referenced in RCW 66.08.050.

18 (6) The board may adopt rules to carry out the provisions of this
19 section. These rules may include, but are not limited to:

20 (a) The establishment of franchise agreement periods, expiration
21 dates, and renewal procedures;

22 (b) The enumeration of records to be kept by franchise holders;

23 (c) The procedures for advertising and other promotion of sales of
24 spirits by liquor franchise holders, in accordance with RCW 66.08.060;
25 and

26 (d) The establishment of fees and administrative penalties for
27 liquor franchise holders.

28 (7) The price of liquor sold at liquor franchises must be set by
29 each liquor franchise holder, but cannot be less than the price the
30 franchise holder paid to obtain the liquor, including any applicable
31 taxes.

32 (8) The board shall determine the hours and days, subject to RCW
33 66.08.167, during which liquor may be sold at liquor franchises.

34 **PART III - FUTURE CHANGES**

35 **Sec. 301.** RCW 66.04.010 and 2011 c . . . s 201 (section 201 of
36 this act) are each amended to read as follows:

1 In this title, unless the context otherwise requires:

2 (1) "Alcohol" is that substance known as ethyl alcohol, hydrated
3 oxide of ethyl, or spirit of wine, which is commonly produced by the
4 fermentation or distillation of grain, starch, molasses, or sugar, or
5 other substances including all dilutions and mixtures of this
6 substance. The term "alcohol" does not include alcohol in the
7 possession of a manufacturer or distiller of alcohol fuel, as described
8 in RCW 66.12.130, which is intended to be denatured and used as a fuel
9 for use in motor vehicles, farm implements, and machines or implements
10 of husbandry.

11 (2) "Authorized representative" means a person who:

12 (a) Is required to have a federal basic permit issued pursuant to
13 the federal alcohol administration act, 27 U.S.C. Sec. 204;

14 (b) Has its business located in the United States outside of the
15 state of Washington;

16 (c) Acquires ownership of beer or wine for transportation into and
17 resale in the state of Washington; and which beer or wine is produced
18 by a brewery or winery in the United States outside of the state of
19 Washington; and

20 (d) Is appointed by the brewery or winery referenced in (c) of this
21 subsection as its authorized representative for marketing and selling
22 its products within the United States in accordance with a written
23 agreement between the authorized representative and such brewery or
24 winery pursuant to this title.

25 (3) "Beer" means any malt beverage, flavored malt beverage, or malt
26 liquor as these terms are defined in this chapter.

27 (4) "Beer distributor" means a person who buys beer from a domestic
28 brewery, microbrewery, beer certificate of approval holder, or beer
29 importers, or who acquires foreign produced beer from a source outside
30 of the United States, for the purpose of selling the same pursuant to
31 this title, or who represents such brewer or brewery as agent.

32 (5) "Beer importer" means a person or business within Washington
33 who purchases beer from a beer certificate of approval holder or who
34 acquires foreign produced beer from a source outside of the United
35 States for the purpose of selling the same pursuant to this title.

36 (6) "Board" means the liquor control board, constituted under this
37 title.

1 (7) "Brewer" or "brewery" means any person engaged in the business
2 of manufacturing beer and malt liquor. Brewer includes a brand owner
3 of malt beverages who holds a brewer's notice with the federal bureau
4 of alcohol, tobacco, and firearms at a location outside the state and
5 whose malt beverage is contract-produced by a licensed in-state
6 brewery, and who may exercise within the state, under a domestic
7 brewery license, only the privileges of storing, selling to licensed
8 beer distributors, and exporting beer from the state.

9 (8) "Club" means an organization of persons, incorporated or
10 unincorporated, operated solely for fraternal, benevolent, educational,
11 athletic or social purposes, and not for pecuniary gain.

12 (9) "Confection" means a preparation of sugar, honey, or other
13 natural or artificial sweeteners in combination with chocolate, fruits,
14 nuts, dairy products, or flavorings, in the form of bars, drops, or
15 pieces.

16 (10) "Consume" includes the putting of liquor to any use, whether
17 by drinking or otherwise.

18 (11) "Contract liquor store" means a business that sells liquor on
19 behalf of the board through a contract with a contract liquor store
20 manager.

21 (12) "Craft distillery" means a distillery that pays the reduced
22 licensing fee under RCW 66.24.140.

23 (13) "Dentist" means a practitioner of dentistry duly and regularly
24 licensed and engaged in the practice of his profession within the state
25 pursuant to chapter 18.32 RCW.

26 (14) "Distiller" means a person engaged in the business of
27 distilling spirits.

28 (15) "Domestic brewery" means a place where beer and malt liquor
29 are manufactured or produced by a brewer within the state.

30 (16) "Domestic winery" means a place where wines are manufactured
31 or produced within the state of Washington.

32 (17) "Drug store" means a place whose principal business is, the
33 sale of drugs, medicines and pharmaceutical preparations and maintains
34 a regular prescription department and employs a registered pharmacist
35 during all hours the drug store is open.

36 (18) "Druggist" means any person who holds a valid certificate and
37 is a registered pharmacist and is duly and regularly engaged in

1 carrying on the business of pharmaceutical chemistry pursuant to
2 chapter 18.64 RCW.

3 (19) "Employee" means any person employed by the board.

4 (20) "Flavored malt beverage" means:

5 (a) A malt beverage containing six percent or less alcohol by
6 volume to which flavoring or other added nonbeverage ingredients are
7 added that contain distilled spirits of not more than forty-nine
8 percent of the beverage's overall alcohol content; or

9 (b) A malt beverage containing more than six percent alcohol by
10 volume to which flavoring or other added nonbeverage ingredients are
11 added that contain distilled spirits of not more than one and one-half
12 percent of the beverage's overall alcohol content.

13 (21) "Fund" means 'liquor revolving fund.'

14 (22) "Hotel" means buildings, structures, and grounds, having
15 facilities for preparing, cooking, and serving food, that are kept,
16 used, maintained, advertised, or held out to the public to be a place
17 where food is served and sleeping accommodations are offered for pay to
18 transient guests, in which twenty or more rooms are used for the
19 sleeping accommodation of such transient guests. The buildings,
20 structures, and grounds must be located on adjacent property either
21 owned or leased by the same person or persons.

22 (23) "Importer" means a person who buys distilled spirits from a
23 distillery outside the state of Washington and imports such spirituous
24 liquor into the state for sale to the board or for export.

25 (24) "Imprisonment" means confinement in the county jail.

26 (25) "Liquor" includes the four varieties of liquor herein defined
27 (alcohol, spirits, wine and beer), and all fermented, spirituous,
28 vinous, or malt liquor, or combinations thereof, and mixed liquor, a
29 part of which is fermented, spirituous, vinous or malt liquor, or
30 otherwise intoxicating; and every liquid or solid or semisolid or other
31 substance, patented or not, containing alcohol, spirits, wine or beer,
32 and all drinks or drinkable liquids and all preparations or mixtures
33 capable of human consumption, and any liquid, semisolid, solid, or
34 other substance, which contains more than one percent of alcohol by
35 weight shall be conclusively deemed to be intoxicating. Liquor does
36 not include confections or food products that contain one percent or
37 less of alcohol by weight.

1 (26) "Liquor franchise" means a specific location designated by the
2 board where spirits, wine, and beer may be sold in original packages
3 for off-premises consumption, or where liquor may be sold to holders of
4 a permit to purchase.

5 (27) "Liquor franchise agreement" means approval by the board to
6 operate a liquor franchise in accordance with the provisions of this
7 title.

8 (28) "Liquor franchise applicant" means any person who bids for a
9 liquor franchise agreement to sell spirits, wine, and beer in
10 accordance with the provisions of this title.

11 (29) "Liquor franchise area" means a geographic area designated as
12 such by the board for the purpose of issuing franchise agreements.

13 (30) "Liquor franchise holder" means a person who has been granted
14 a liquor franchise agreement in accordance with the provisions of this
15 title.

16 (31) "Malt beverage" or "malt liquor" means any beverage such as
17 beer, ale, lager beer, stout, and porter obtained by the alcoholic
18 fermentation of an infusion or decoction of pure hops, or pure extract
19 of hops and pure barley malt or other wholesome grain or cereal in pure
20 water containing not more than eight percent of alcohol by weight, and
21 not less than one-half of one percent of alcohol by volume. For the
22 purposes of this title, any such beverage containing more than eight
23 percent of alcohol by weight shall be referred to as "strong beer."

24 (32) "Manufacturer" means a person engaged in the preparation of
25 liquor for sale, in any form whatsoever.

26 (33) "Nightclub" means an establishment that provides entertainment
27 and has as its primary source of revenue (a) the sale of alcohol for
28 consumption on the premises, (b) cover charges, or (c) both, and has an
29 occupancy load of one hundred or more.

30 (34) "Package" means any container or receptacle used for holding
31 liquor.

32 (35) "Passenger vessel" means any boat, ship, vessel, barge, or
33 other floating craft of any kind carrying passengers for compensation.

34 (36) "Permit" means a permit for the purchase of liquor under this
35 title.

36 (37) "Person" means an individual, copartnership, association, or
37 corporation.

1 (38) "Physician" means a medical practitioner duly and regularly
2 licensed and engaged in the practice of his profession within the state
3 pursuant to chapter 18.71 RCW.

4 (39) "Prescription" means a memorandum signed by a physician and
5 given by him to a patient for the obtaining of liquor pursuant to this
6 title for medicinal purposes.

7 (40) "Public place" includes streets and alleys of incorporated
8 cities and towns; state or county or township highways or roads;
9 buildings and grounds used for school purposes; public dance halls and
10 grounds adjacent thereto; those parts of establishments where beer may
11 be sold under this title, soft drink establishments, public buildings,
12 public meeting halls, lobbies, halls and dining rooms of hotels,
13 restaurants, theatres, stores, garages and filling stations which are
14 open to and are generally used by the public and to which the public is
15 permitted to have unrestricted access; railroad trains, stages, and
16 other public conveyances of all kinds and character, and the depots and
17 waiting rooms used in conjunction therewith which are open to
18 unrestricted use and access by the public; publicly owned bathing
19 beaches, parks, and/or playgrounds; and all other places of like or
20 similar nature to which the general public has unrestricted right of
21 access, and which are generally used by the public.

22 (41) "Regulations" means regulations made by the board under the
23 powers conferred by this title.

24 (42) "Restaurant" means any establishment provided with special
25 space and accommodations where, in consideration of payment, food,
26 without lodgings, is habitually furnished to the public, not including
27 drug stores and soda fountains.

28 (43) "Sale" and "sell" include exchange, barter, and traffic; and
29 also include the selling or supplying or distributing, by any means
30 whatsoever, of liquor, or of any liquid known or described as beer or
31 by any name whatever commonly used to describe malt or brewed liquor or
32 of wine, by any person to any person; and also include a sale or
33 selling within the state to a foreign consignee or his agent in the
34 state. "Sale" and "sell" shall not include the giving, at no charge,
35 of a reasonable amount of liquor by a person not licensed by the board
36 to a person not licensed by the board, for personal use only. "Sale"
37 and "sell" also does not include a raffle authorized under RCW

1 9.46.0315. However, the nonprofit organization conducting the raffle
2 has obtained the appropriate permit from the board.

3 (44) "Soda fountain" means a place especially equipped with
4 apparatus for the purpose of dispensing soft drinks, whether mixed or
5 otherwise.

6 (45) "Spirits" means any beverage which contains alcohol obtained
7 by distillation, except flavored malt beverages, but including wines
8 exceeding twenty-four percent of alcohol by volume.

9 (~~(46) ("Store" means a state liquor store established under this
10 title.~~

11 ~~(47))~~) "Tavern" means any establishment with special space and
12 accommodation for sale by the glass and for consumption on the
13 premises, of beer, as herein defined.

14 (~~(48))~~) (47)(a) "Wine" means any alcoholic beverage obtained by
15 fermentation of fruits (grapes, berries, apples, et cetera) or other
16 agricultural product containing sugar, to which any saccharine
17 substances may have been added before, during or after fermentation,
18 and containing not more than twenty-four percent of alcohol by volume,
19 including sweet wines fortified with wine spirits, such as port,
20 sherry, muscatel and angelica, not exceeding twenty-four percent of
21 alcohol by volume and not less than one-half of one percent of alcohol
22 by volume. For purposes of this title, any beverage containing no more
23 than fourteen percent of alcohol by volume when bottled or packaged by
24 the manufacturer shall be referred to as "table wine," and any beverage
25 containing alcohol in an amount more than fourteen percent by volume
26 when bottled or packaged by the manufacturer shall be referred to as
27 "fortified wine." However, "fortified wine" does not include: (i)
28 Wines that are both sealed or capped by cork closure and aged two years
29 or more; and (ii) wines that contain more than fourteen percent alcohol
30 by volume solely as a result of the natural fermentation process and
31 that have not been produced with the addition of wine spirits, brandy,
32 or alcohol.

33 (b) This subsection shall not be interpreted to require that any
34 wine be labeled with the designation "table wine" or "fortified wine."

35 (~~(49))~~) (48) "Wine distributor" means a person who buys wine from
36 a domestic winery, wine certificate of approval holder, or wine
37 importer, or who acquires foreign produced wine from a source outside

1 of the United States, for the purpose of selling the same not in
2 violation of this title, or who represents such vintner or winery as
3 agent.

4 ~~((+50+))~~ (49) "Wine importer" means a person or business within
5 Washington who purchases wine from a wine certificate of approval
6 holder or who acquires foreign produced wine from a source outside of
7 the United States for the purpose of selling the same pursuant to this
8 title.

9 ~~((+51+))~~ (50) "Winery" means a business conducted by any person for
10 the manufacture of wine for sale, other than a domestic winery.

11 **Sec. 302.** RCW 66.08.012 and 1961 c 307 s 7 are each amended to
12 read as follows:

13 There shall be a board, known as the "Washington state liquor
14 control board," consisting of three members~~((, -to))~~. One member shall
15 be qualified by local government experience. Two members shall be
16 qualified by experience or training in matters pertaining to retail
17 sales and/or distribution. All three members shall be appointed by the
18 governor, with the consent of the senate, who shall each be paid an
19 annual salary to be fixed by the governor in accordance with the
20 provisions of RCW 43.03.040. The governor may, in his or her
21 discretion, appoint one of the members as chair of the board, and a
22 majority of the members shall constitute a quorum of the board.

23 **Sec. 303.** RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended
24 to read as follows:

25 The administration of this title~~((, -including the general control,~~
26 ~~management and supervision of all liquor stores, shall be))~~ is vested
27 in the liquor control board, constituted under this title.

28 **Sec. 304.** RCW 66.08.026 and 2008 c 67 s 1 are each amended to read
29 as follows:

30 Administrative expenses of the board shall be appropriated and paid
31 from the liquor revolving fund. These administrative expenses shall
32 include, but not be limited to: The salaries and expenses of the board
33 and its employees, ~~((the cost of opening additional state liquor stores~~
34 ~~and warehouses,))~~ legal services, pilot projects, annual or other
35 audits, and other general costs of conducting the business of the

1 board. (~~The administrative expenses shall not include costs of liquor~~
2 ~~and lottery tickets purchased, the cost of transportation and delivery~~
3 ~~to the point of distribution, the cost of operating, maintaining,~~
4 ~~relocating, and leasing state liquor stores and warehouses, other costs~~
5 ~~pertaining to the acquisition and receipt of liquor and lottery~~
6 ~~tickets, agency commissions for contract liquor stores, transaction~~
7 ~~fees associated with credit or debit card purchases for liquor in state~~
8 ~~liquor stores and in contract liquor stores pursuant to RCW 66.16.040~~
9 ~~and 66.16.041, sales tax, and those amounts distributed pursuant to RCW~~
10 ~~66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency~~
11 ~~commissions for contract liquor stores shall be established by the~~
12 ~~liquor control board after consultation with and approval by the~~
13 ~~director of the office of financial management.)) All expenditures and~~
14 payment of obligations authorized by this section are subject to the
15 allotment requirements of chapter 43.88 RCW.

16 **Sec. 305.** RCW 66.08.030 and 2011 c. . . s 202 (section 202 of this
17 act) are each amended to read as follows:

18 (1) For the purpose of carrying into effect the provisions of this
19 title according to their true intent or of supplying any deficiency
20 therein, the board may make such regulations not inconsistent with the
21 spirit of this title as are deemed necessary or advisable. All
22 regulations so made shall be a public record and shall be filed in the
23 office of the code reviser, and thereupon shall have the same force and
24 effect as if incorporated in this title. Such regulations, together
25 with a copy of this title, shall be published in pamphlets and shall be
26 distributed as directed by the board.

27 (2) Without thereby limiting the generality of the provisions
28 contained in subsection (1) of this section, it is declared that the
29 power of the board to make regulations in the manner set out in that
30 subsection extends to:

31 ~~(a) ((Regulating the equipment and management of liquor franchises~~
32 ~~and stores and warehouses in which state liquor is sold or kept, and~~
33 ~~prescribing the books and records to be kept therein and the reports to~~
34 ~~be made thereon to the board;~~

35 ~~(b))~~ Prescribing the duties of the employees of the board, and
36 regulating their conduct in the discharge of their duties;

1 ~~((c) Governing the purchase of liquor by the state and the~~
2 ~~furnishing of liquor to stores established under this title;~~

3 ~~(d) Determining the classes, varieties, and brands of liquor to be~~
4 ~~kept for sale at any store;~~

5 ~~(e) Providing for the issuing and distributing of price lists~~
6 ~~showing the price to be paid by purchasers for each variety of liquor~~
7 ~~kept for sale under this title;~~

8 ~~(f))~~ (b) Prescribing an official seal and official labels and
9 stamps and determining the manner in which they shall be attached to
10 every package of liquor sold or sealed under this title, including the
11 prescribing of different official seals or different official labels
12 for different classes of liquor;

13 ~~((g) Providing for the payment by the board in whole or in part of~~
14 ~~the carrying charges on liquor shipped by freight or express;~~

15 ~~(h))~~ (c) Prescribing forms to be used for purposes of this title
16 or the regulations, and the terms and conditions to be contained in
17 permits and licenses issued under this title, and the qualifications
18 for receiving a permit or license issued under this title, including a
19 criminal history record information check. The board may submit the
20 criminal history record information check to the Washington state
21 patrol and to the identification division of the federal bureau of
22 investigation in order that these agencies may search their records for
23 prior arrests and convictions of the individual or individuals who
24 filled out the forms. The board shall require fingerprinting of any
25 applicant whose criminal history record information check is submitted
26 to the federal bureau of investigation;

27 ~~((i))~~ (d) Prescribing the fees payable in respect of permits and
28 licenses and liquor franchise agreements issued under this title for
29 which no fees are prescribed in this title, and prescribing the fees
30 for anything done or permitted to be done under the regulations;

31 ~~((j))~~ (e) Prescribing the kinds and quantities of liquor which
32 may be kept on hand by the holder of a special permit for the purposes
33 named in the permit, regulating the manner in which the same shall be
34 kept and disposed of, and providing for the inspection of the same at
35 any time at the instance of the board;

36 ~~((k))~~ (f) Regulating the sale of liquor kept by the holders of
37 licenses and liquor franchise agreements which entitle the holder to
38 purchase and keep liquor for sale;

1 ~~((l))~~ (g) Prescribing the records of purchases or sales of liquor
2 kept by the holders of licenses and liquor franchise agreements, and
3 the reports to be made thereon to the board, and providing for
4 inspection of the records so kept;

5 ~~((m))~~ (h) Prescribing the kinds and quantities of liquor for
6 which a prescription may be given, and the number of prescriptions
7 which may be given to the same patient within a stated period;

8 ~~((n))~~ (i) Prescribing the manner of giving and serving notices
9 required by this title or the regulations, where not otherwise provided
10 for in this title;

11 ~~((o))~~ (j) Regulating premises in which liquor is kept for export
12 from the state, or from which liquor is exported, prescribing the books
13 and records to be kept therein and the reports to be made thereon to
14 the board, and providing for the inspection of the premises and the
15 books, records and the liquor so kept;

16 ~~((p))~~ (k) Prescribing the conditions and qualifications requisite
17 for the obtaining of club licenses and the books and records to be kept
18 and the returns to be made by clubs, prescribing the manner of
19 licensing clubs in any municipality or other locality, and providing
20 for the inspection of clubs;

21 ~~((q))~~ (l) Prescribing the conditions, accommodations and
22 qualifications requisite for the obtaining of licenses to sell beer and
23 wines, and regulating the sale of beer and wines thereunder;

24 ~~((r))~~ (m) Specifying and regulating the time and periods when,
25 and the manner, methods and means by which manufacturers shall deliver
26 liquor within the state; and the time and periods when, and the manner,
27 methods and means by which liquor may lawfully be conveyed or carried
28 within the state;

29 ~~((s))~~ (n) Providing for the making of returns by brewers of their
30 sales of beer shipped within the state, or from the state, showing the
31 gross amount of such sales and providing for the inspection of brewers'
32 books and records, and for the checking of the accuracy of any such
33 returns;

34 ~~((t))~~ (o) Providing for the making of returns by the wholesalers
35 of beer whose breweries are located beyond the boundaries of the state;

36 ~~((u))~~ (p) Providing for the making of returns by any other liquor
37 manufacturers, showing the gross amount of liquor produced or
38 purchased, the amount sold within and exported from the state, and to

1 whom so sold or exported, and providing for the inspection of the
2 premises of any such liquor manufacturers, their books and records, and
3 for the checking of any such return;

4 ~~((v))~~ (q) Providing for the giving of fidelity bonds by any or
5 all of the employees of the board. However, the premiums therefor
6 shall be paid by the board;

7 ~~((w))~~ (r) Providing for the shipment by mail or common carrier of
8 liquor to any person holding a permit and residing in any unit which
9 has, by election pursuant to this title, prohibited the sale of liquor
10 therein;

11 ~~((x))~~ (s) Prescribing methods of manufacture, conditions of
12 sanitation, standards of ingredients, quality and identity of alcoholic
13 beverages manufactured, sold, bottled, or handled by licensees and the
14 board; and conducting from time to time, in the interest of the public
15 health and general welfare, scientific studies and research relating to
16 alcoholic beverages and the use and effect thereof;

17 ~~((y))~~ (t) Seizing, confiscating and destroying all alcoholic
18 beverages manufactured, sold or offered for sale within this state
19 which do not conform in all respects to the standards prescribed by
20 this title or the regulations of the board. Nothing herein contained
21 shall be construed as authorizing the liquor board to prescribe, alter,
22 limit or in any way change the present law as to the quantity or
23 percentage of alcohol used in the manufacturing of wine or other
24 alcoholic beverages.

25 **Sec. 306.** RCW 66.08.050 and 2005 c 151 s 3 are each amended to
26 read as follows:

27 The board, subject to the provisions of this title and the rules,
28 shall:

29 (1) ~~((Determine the localities within which state liquor stores
30 shall be established throughout the state, and the number and situation
31 of the stores within each locality;~~

32 ~~(2) Appoint in cities and towns and other communities, in which no
33 state liquor store is located, contract liquor stores. In addition,
34 the board may))~~ Appoint, in its discretion, a manufacturer that also
35 manufactures liquor products other than wine under a license under this
36 title, as a contract liquor store for the purpose of sale of liquor
37 products of its own manufacture on the licensed premises only. ~~((Such~~

1 ~~contract liquor stores shall be authorized to sell liquor under the~~
2 ~~guidelines provided by law, rule, or contract, and))~~ Such contract
3 liquor stores shall be subject to such additional rules and regulations
4 consistent with this title as the board may require;

5 ~~((3) Establish all necessary warehouses for the storing and~~
6 ~~bottling, diluting and rectifying of stocks of liquors for the purposes~~
7 ~~of this title;~~

8 ~~(4) Provide for the leasing for periods not to exceed ten years of~~
9 ~~all premises required for the conduct of the business; and for~~
10 ~~remodeling the same, and the procuring of their furnishings, fixtures,~~
11 ~~and supplies; and for obtaining options of renewal of such leases by~~
12 ~~the lessee. The terms of such leases in all other respects shall be~~
13 ~~subject to the direction of the board;~~

14 ~~(5))~~ (2) Determine the nature, form and capacity of all packages
15 to be used for containing liquor kept for sale under this title;

16 ~~((6))~~ (3) Execute or cause to be executed, all contracts, papers,
17 and documents in the name of the board, under such regulations as the
18 board may fix;

19 ~~((7))~~ (4) Pay all customs, duties, excises, charges and
20 obligations whatsoever relating to the business of the board;

21 ~~((8) Require bonds from all employees in the discretion of the~~
22 ~~board, and to determine the amount of fidelity bond of each such~~
23 ~~employee;~~

24 ~~(9))~~ (5) Perform services for the state lottery commission to such
25 extent, and for such compensation, as may be mutually agreed upon
26 between the board and the commission;

27 ~~((10))~~ (6) Accept and deposit into the general fund-local account
28 and disburse, subject to appropriation, federal grants or other funds
29 or donations from any source for the purpose of improving public
30 awareness of the health risks associated with alcohol consumption by
31 youth and the abuse of alcohol by adults in Washington state. The
32 board's alcohol awareness program shall cooperate with federal and
33 state agencies, interested organizations, and individuals to effect an
34 active public beverage alcohol awareness program;

35 ~~((11))~~ (7) Perform all other matters and things, whether similar
36 to the foregoing or not, to carry out the provisions of this title, and
37 shall have full power to do each and every act necessary to the conduct
38 of its business, including all buying, selling, preparation and

1 approval of forms, and every other function of the business whatsoever,
2 subject only to audit by the state auditor(~~(:—PROVIDED, That)~~).
3 However, the board shall have no authority to regulate the content of
4 spoken language on licensed premises where wine and other liquors are
5 served and where there is not a clear and present danger of disorderly
6 conduct being provoked by such language.

7 **Sec. 307.** RCW 66.08.060 and 2005 c 231 s 3 are each amended to
8 read as follows:

9 ~~((1) The board shall not advertise liquor in any form or through
10 any medium whatsoever.~~

11 ~~(2) In store liquor merchandising is not advertising for the
12 purposes of this section.~~

13 ~~(3))~~ The board shall have power to adopt any and all reasonable
14 rules as to the kind, character, and location of advertising of liquor
15 for liquor franchise holders encompassing a retail area less than ten
16 thousand square feet.

17 **Sec. 308.** RCW 66.08.167 and 2005 c 231 s 4 are each amended to
18 read as follows:

19 (1) ~~((Before the board determines which state liquor stores))~~ The
20 board may adopt rules regarding which liquor franchises will be open on
21 Sundays(~~, it~~). In adopting Sunday sales rules, the board shall give:

22 (a) Due consideration to the location of the liquor (~~store~~) franchise
23 with respect to the proximity of places of worship, schools, and public
24 institutions; (b) due consideration to motor vehicle accident data in
25 the proximity of the liquor (~~store~~) franchise; and (c) written notice
26 by certified mail of the proposed Sunday opening, including proposed
27 Sunday opening hours, to places of worship, schools, and public
28 institutions within five hundred feet of the liquor (~~store~~) franchise
29 proposed to be open on Sunday.

30 (2) Before permitting (~~an agency vendor~~) a liquor (~~store~~)
31 franchise to open for business on Sunday, the board must meet the due
32 consideration and written notice requirements established in subsection
33 (1) of this section.

34 (3) For the purpose of this section, "place of worship" means a
35 building erected for and used exclusively for religious worship and
36 schooling or other related religious activity.

1 **Sec. 309.** RCW 66.16.110 and 1993 c 422 s 2 are each amended to
2 read as follows:

3 The board shall cause liquor franchises to (~~be posted~~) post in
4 conspicuous places, in a number determined by the board, (~~within each~~
5 ~~state liquor store,~~) notices in print not less than one inch high
6 warning persons that consumption of alcohol shortly before conception
7 or during pregnancy may cause birth defects, including fetal alcohol
8 syndrome and fetal alcohol effects.

9 **Sec. 310.** RCW 66.12.110 and 1999 c 281 s 3 are each amended to
10 read as follows:

11 A person twenty-one years of age or over may bring into the state
12 from without the United States, free of tax and markup, for his
13 personal or household use such alcoholic beverages as have been
14 declared and permitted to enter the United States duty free under
15 federal law.

16 Such entry of alcoholic beverages in excess of that herein provided
17 may be authorized by the board upon payment of (~~an equivalent markup~~
18 ~~and tax as would be applicable to the purchase of the same or similar~~
19 ~~liquor at retail from a Washington state liquor store~~) state sales
20 tax. The board shall adopt appropriate regulations pursuant to chapter
21 34.05 RCW for the purpose of carrying out the provisions of this
22 section. The board may issue a spirits, beer, and wine private club
23 license to a charitable or nonprofit corporation of the state of
24 Washington, the majority of the officers and directors of which are
25 United States citizens and the minority of the officers and directors
26 of which are citizens of the Dominion of Canada, and where the location
27 of the premises for such spirits, beer, and wine private club license
28 is not more than ten miles south of the border between the United
29 States and the province of British Columbia.

30 **Sec. 311.** RCW 66.12.120 and 1995 c 100 s 1 are each amended to
31 read as follows:

32 Notwithstanding any other provision of Title 66 RCW, a person
33 twenty-one years of age or over may, free of tax and markup, for
34 personal or household use, bring into the state of Washington from
35 another state no more than once per calendar month up to two liters of
36 spirits or wine or two hundred eighty-eight ounces of beer.

1 Additionally, such person may be authorized by the board to bring into
2 the state of Washington from another state a reasonable amount of
3 alcoholic beverages in excess of that provided in this section for
4 personal or household use only upon payment of (~~an equivalent markup~~
5 ~~and tax as would be applicable to the purchase of the same or similar~~
6 ~~liquor at retail from a state liquor store~~) state sales tax. The
7 board shall adopt appropriate regulations pursuant to chapter 34.05 RCW
8 for the purpose of carrying into effect the provisions of this section.

9 **Sec. 312.** RCW 66.12.140 and 1982 c 85 s 8 are each amended to read
10 as follows:

11 (1) Nothing in this title shall prevent the use of beer, wine,
12 and/or spirituous liquor, for cooking purposes only, in conjunction
13 with a culinary or restaurant course offered by a college, university,
14 community college, area vocational technical institute, or private
15 vocational school. Further, nothing in this title shall prohibit the
16 making of beer or wine in food fermentation courses offered by a
17 college, university, community college, area vocational technical
18 institute, or private vocational school.

19 (2) "Culinary or restaurant course" as used in this section means
20 a course of instruction which includes practical experience in food
21 preparation under the supervision of an instructor who is twenty-one
22 years of age or older.

23 (3) Persons under twenty-one years of age participating in culinary
24 or restaurant courses may handle beer, wine, or spirituous liquor for
25 purposes of participating in the courses, but nothing in this section
26 shall be construed to authorize consumption of liquor by persons under
27 twenty-one years of age or to authorize possession of liquor by persons
28 under twenty-one years of age at any time or place other than while
29 preparing food under the supervision of the course instructor.

30 (4) Beer, wine, and/or spirituous liquor to be used in culinary or
31 restaurant courses shall be purchased at retail from (~~the board or~~)
32 a retailer licensed under this title. All such liquor shall be
33 securely stored in the food preparation area and shall not be displayed
34 in an area open to the general public.

35 (5) Colleges, universities, community colleges, area vocational
36 technical institutes, and private vocational schools shall obtain the

1 prior written approval of the board for use of beer, wine, and/or
2 spirituous liquor for cooking purposes in their culinary or restaurant
3 courses.

4 **Sec. 313.** RCW 66.20.010 and 2008 c 181 s 602 are each amended to
5 read as follows:

6 Upon application in the prescribed form being made to any employee
7 authorized by the board to issue permits, accompanied by payment of the
8 prescribed fee, and upon the employee being satisfied that the
9 applicant should be granted a permit under this title, the employee
10 shall issue to the applicant under such regulations and at such fee as
11 may be prescribed by the board a permit of the class applied for, as
12 follows:

13 (1) Where the application is for a special permit by a physician or
14 dentist, or by any person in charge of an institution regularly
15 conducted as a hospital or sanitorium for the care of persons in ill
16 health, or as a home devoted exclusively to the care of aged people, a
17 special liquor purchase permit, except that the governor may waive the
18 requirement for a special liquor purchase permit under this subsection
19 pursuant to an order issued under RCW 43.06.220(2);

20 (2) Where the application is for a special permit by a person
21 engaged within the state in mechanical or manufacturing business or in
22 scientific pursuits requiring alcohol for use therein, or by any
23 private individual, a special permit to purchase alcohol for the
24 purpose named in the permit, except that the governor may waive the
25 requirement for a special liquor purchase permit under this subsection
26 pursuant to an order issued under RCW 43.06.220(2);

27 (3) Where the application is for a special permit to consume liquor
28 at a banquet, at a specified date and place, a special permit to
29 purchase liquor for consumption at such banquet, to such applicants as
30 may be fixed by the board;

31 (4) Where the application is for a special permit to consume liquor
32 on the premises of a business not licensed under this title, a special
33 permit to purchase liquor for consumption thereon for such periods of
34 time and to such applicants as may be fixed by the board;

35 (5) Where the application is for a special permit by a manufacturer
36 to import or purchase within the state alcohol, malt, and other

1 materials containing alcohol to be used in the manufacture of liquor,
2 or other products, a special permit;

3 (6) Where the application is for a special permit by a person
4 operating a drug store to purchase liquor at retail prices only, to be
5 thereafter sold by such person on the prescription of a physician, a
6 special liquor purchase permit, except that the governor may waive the
7 requirement for a special liquor purchase permit under this subsection
8 pursuant to an order issued under RCW 43.06.220(2);

9 (7) Where the application is for a special permit by an authorized
10 representative of a military installation operated by or for any of the
11 armed forces within the geographical boundaries of the state of
12 Washington, a special permit to purchase liquor for use on such
13 military installation (~~(at prices to be fixed by the board)~~);

14 (8) Where the application is for a special permit by a
15 manufacturer, importer, or distributor, or representative thereof, to
16 serve liquor without charge to delegates and guests at a convention of
17 a trade association composed of licensees of the board, when the said
18 liquor is served in a hospitality room or from a booth in a board-
19 approved suppliers' display room at the convention, and when the liquor
20 so served is for consumption in the said hospitality room or display
21 room during the convention, anything in Title 66 RCW to the contrary
22 notwithstanding. Any such spirituous liquor shall be purchased from
23 (~~(the board)~~) a liquor franchise or a spirits, beer, and wine
24 restaurant licensee and any such beer and wine shall be subject to the
25 taxes imposed by RCW 66.24.290 and 66.24.210;

26 (9) Where the application is for a special permit by a
27 manufacturer, importer, or distributor, or representative thereof, to
28 donate liquor for a reception, breakfast, luncheon, or dinner for
29 delegates and guests at a convention of a trade association composed of
30 licensees of the board, when the liquor so donated is for consumption
31 at the said reception, breakfast, luncheon, or dinner during the
32 convention, anything in Title 66 RCW to the contrary notwithstanding.
33 Any such spirituous liquor shall be purchased from the (~~(board)~~) liquor
34 franchise or a spirits, beer, and wine restaurant licensee and any such
35 beer and wine shall be subject to the taxes imposed by RCW 66.24.290
36 and 66.24.210;

37 (10) Where the application is for a special permit by a
38 manufacturer, importer, or distributor, or representative thereof, to

1 donate and/or serve liquor without charge to delegates and guests at an
2 international trade fair, show, or exposition held under the auspices
3 of a federal, state, or local governmental entity or organized and
4 promoted by a nonprofit organization, anything in Title 66 RCW to the
5 contrary notwithstanding. Any such spirituous liquor shall be
6 purchased from (~~the board~~) a liquor franchise and any such beer or
7 wine shall be subject to the taxes imposed by RCW 66.24.290 and
8 66.24.210;

9 (11) Where the application is for an annual special permit by a
10 person operating a bed and breakfast lodging facility to donate or
11 serve wine or beer without charge to overnight guests of the facility
12 if the wine or beer is for consumption on the premises of the facility.
13 "Bed and breakfast lodging facility," as used in this subsection, means
14 a facility offering from one to eight lodging units and breakfast to
15 travelers and guests.

16 **Sec. 314.** RCW 66.20.160 and 2005 c 151 s 8 are each amended to
17 read as follows:

18 Words and phrases as used in RCW 66.20.160 to 66.20.210, inclusive,
19 shall have the following meaning:

20 "Card of identification" means any one of those cards described in
21 RCW 66.16.040.

22 "Licensee" means the holder of a retail liquor license issued by
23 the board, and includes any employee or agent of the licensee.

24 (~~"Store employee" means a person employed in a state liquor store
25 to sell liquor.~~) "Liquor franchise holder" means a person who has been
26 granted a liquor franchise agreement in accordance with the provisions
27 of this title.

28 **Sec. 315.** RCW 66.20.170 and 1973 1st ex.s. c 209 s 5 are each
29 amended to read as follows:

30 A card of identification may, for the purpose of this title and for
31 the purpose of procuring liquor, be accepted as an identification card
32 by any licensee or (~~store employee~~) liquor franchise holder and as
33 evidence of legal age of the person presenting such card, provided the
34 licensee or (~~store employee~~) liquor franchise holder complies with
35 the conditions and procedures prescribed herein and such regulations as
36 may be made by the board.

1 **Sec. 316.** RCW 66.20.180 and 2005 c 151 s 9 are each amended to
2 read as follows:

3 A card of identification shall be presented by the holder thereof
4 upon request of any licensee, (~~store employee,~~) contract liquor store
5 manager, contract liquor store employee, liquor franchise holder, peace
6 officer, or enforcement officer of the board for the purpose of aiding
7 the licensee, (~~store employee,~~) contract liquor store manager,
8 contract liquor store employee, liquor franchise holder, peace officer,
9 or enforcement officer of the board to determine whether or not such
10 person is of legal age to purchase liquor when such person desires to
11 procure liquor from a licensed establishment or state liquor store or
12 contract liquor store.

13 **Sec. 317.** RCW 66.20.190 and 1981 1st ex.s. c 5 s 9 are each
14 amended to read as follows:

15 In addition to the presentation by the holder and verification by
16 the licensee or (~~store employee~~) liquor franchise holder of such card
17 of identification, the licensee or (~~store employee~~) liquor franchise
18 holder who is still in doubt about the true age of the holder shall
19 require the person whose age may be in question to sign a certification
20 card and record an accurate description and serial number of his card
21 of identification thereon. Such statement shall be upon a five-inch by
22 eight-inch file card, which card shall be filed alphabetically by the
23 licensee or (~~store employee~~) liquor franchise holder at or before the
24 close of business on the day on which the statement is executed, in the
25 file box containing a suitable alphabetical index and the card shall be
26 subject to examination by any peace officer or agent or employee of the
27 board at all times. The certification card shall also contain in bold-
28 face type a statement stating that the signer understands that
29 conviction for unlawful purchase of alcoholic beverages or misuse of
30 the certification card may result in criminal penalties including
31 imprisonment or fine or both.

32 **Sec. 318.** RCW 66.20.200 and 2003 c 53 s 295 are each amended to
33 read as follows:

34 (1) It shall be unlawful for the owner of a card of identification
35 to transfer the card to any other person for the purpose of aiding such
36 person to procure alcoholic beverages from any licensee or (~~store~~

1 ~~employee~~) liquor franchise holder. Any person who shall permit his or
2 her card of identification to be used by another or transfer such card
3 to another for the purpose of aiding such transferee to obtain
4 alcoholic beverages from a licensee or (~~store employee~~) liquor
5 franchise holder or gain admission to a premises or portion of a
6 premises classified by the board as off-limits to persons under twenty-
7 one years of age, shall be guilty of a misdemeanor punishable as
8 provided by RCW 9A.20.021, except that a minimum fine of two hundred
9 fifty dollars shall be imposed and any sentence requiring community
10 restitution shall require not fewer than twenty-five hours of community
11 restitution.

12 (2) Any person not entitled thereto who unlawfully procures or has
13 issued or transferred to him or her a card of identification, and any
14 person who possesses a card of identification not issued to him or her,
15 and any person who makes any false statement on any certification card
16 required by RCW 66.20.190, to be signed by him or her, shall be guilty
17 of a misdemeanor punishable as provided by RCW 9A.20.021, except that
18 a minimum fine of two hundred fifty dollars shall be imposed and any
19 sentence requiring community restitution shall require not fewer than
20 twenty-five hours of community restitution.

21 **Sec. 319.** RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each
22 amended to read as follows:

23 No licensee or the agent or employee of the licensee, or (~~store~~
24 ~~employee~~) liquor franchise holder, shall be prosecuted criminally or
25 be sued in any civil action for serving liquor to a person under legal
26 age to purchase liquor if such person has presented a card of
27 identification in accordance with RCW 66.20.180, and has signed a
28 certification card as provided in RCW 66.20.190.

29 Such card in the possession of a licensee may be offered as a
30 defense in any hearing held by the board for serving liquor to the
31 person who signed the card and may be considered by the board as
32 evidence that the licensee acted in good faith.

33 **Sec. 320.** RCW 66.24.145 and 2010 c 290 s 2 are each amended to
34 read as follows:

35 (1) Any craft distillery may sell spirits of its own production for
36 consumption off the premises, up to two liters per person per day.

1 (~~Spirits sold under this subsection must be purchased from the board~~
2 ~~and sold at the retail price established by the board.~~) A craft
3 distillery selling spirits under this subsection must comply with the
4 applicable laws and rules relating to retailers.

5 (2) Any craft distillery may contract distill spirits for, and sell
6 contract distilled spirits to, holders of distillers' or manufacturers'
7 licenses, including licenses issued under RCW 66.24.520, or for export.

8 (3) Any craft distillery licensed under this section may provide,
9 free of charge, one-half ounce or less samples of spirits of its own
10 production to persons on the premises of the distillery. The maximum
11 total per person per day is two ounces. Every person who participates
12 in any manner in the service of samples must obtain a class 12 alcohol
13 server permit. (~~Spirits used for samples must be purchased from the~~
14 ~~board.~~)

15 (4) The board shall adopt rules to implement the alcohol server
16 permit requirement and may adopt additional rules to implement this
17 section.

18 (5) Distilling is an agricultural practice.

19 **Sec. 321.** RCW 66.24.360 and 2007 c 226 s 2 are each amended to
20 read as follows:

21 There shall be a beer and/or wine retailer's license to be
22 designated as a grocery store license to sell beer, strong beer, and/or
23 wine at retail in bottles, cans, and original containers, not to be
24 consumed upon the premises where sold(~~(, at any store other than the~~
25 ~~state liquor stores)~~).

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

29 (2) The annual fee for the grocery store license is one hundred
30 fifty dollars for each store.

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

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

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

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

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

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

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

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

24 (b) Any beer, strong beer, and wine sold under this endorsement
25 must be intended for consumption outside the state of Washington and
26 the United States and appropriate records must be maintained by the
27 licensee.

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

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

33 ~~((e))~~ (d) The annual cost of this endorsement is five hundred
34 dollars and is in addition to the license fees paid by the licensee for
35 a grocery store license.

36 (6) A grocery store licensee holding a snack bar license under RCW
37 66.24.350 may receive an endorsement to allow the sale of confections

1 containing more than one percent but not more than ten percent alcohol
2 by weight to persons twenty-one years of age or older.

3 **Sec. 322.** RCW 66.24.371 and 2009 c 373 s 6 are each amended to
4 read as follows:

5 (1) There shall be a beer and/or wine retailer's license to be
6 designated as a beer and/or wine specialty shop license to sell beer,
7 strong beer, and/or wine at retail in bottles, cans, and original
8 containers, not to be consumed upon the premises where sold(~~(, at any~~
9 ~~store other than the state liquor stores)~~). Licensees obtaining a
10 written endorsement from the board may also sell malt liquor in kegs or
11 other containers capable of holding four gallons or more of liquid.
12 The annual fee for the beer and/or wine specialty shop license is one
13 hundred dollars for each store. The sale of any container holding four
14 gallons or more must comply with RCW 66.28.200 and 66.28.220.

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

21 (3) The board shall issue a restricted beer and/or wine specialty
22 shop license, authorizing the licensee to sell beer and only table
23 wine, if the board finds upon issuance or renewal of the license that
24 the sale of strong beer or fortified wine would be against the public
25 interest. In determining the public interest, the board shall consider
26 at least the following factors:

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

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

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

35 If the board receives no evidence or objection that the sale of
36 strong beer or fortified wine would be against the public interest, it
37 shall issue or renew the license without restriction, as applicable.

1 The burden of establishing that the sale of strong beer or fortified
2 wine by the licensee would be against the public interest is on those
3 persons objecting.

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

7 **Sec. 323.** RCW 66.24.380 and 2005 c 151 s 10 are each amended to
8 read as follows:

9 There shall be a retailer's license to be designated as a special
10 occasion license to be issued to a not-for-profit society or
11 organization to sell spirits, beer, and wine by the individual serving
12 for on-premises consumption at a specified event, such as at picnics or
13 other special occasions, at a specified date and place; fee sixty
14 dollars per day.

15 (1) The not-for-profit society or organization is limited to sales
16 of no more than twelve calendar days per year. For the purposes of
17 this subsection, special occasion licensees that are "agricultural area
18 fairs" or "agricultural county, district, and area fairs," as defined
19 by RCW 15.76.120, that receive a special occasion license may, once per
20 calendar year, count as one event fairs that last multiple days, so
21 long as alcohol sales are at set dates, times, and locations, and the
22 board receives prior notification of the dates, times, and locations.
23 The special occasion license applicant will pay the sixty dollars per
24 day for this event.

25 (2) The licensee may sell beer and/or wine in original, unopened
26 containers for off-premises consumption if permission is obtained from
27 the board prior to the event.

28 (3) Sale, service, and consumption of spirits, beer, and wine is to
29 be confined to specified premises or designated areas only.

30 (4) Spirituous liquor sold under this special occasion license must
31 be purchased at a (~~state liquor store or contract liquor store without~~
32 ~~discount at retail prices, including all taxes~~) liquor franchise.

33 (5) Any violation of this section is a class 1 civil infraction
34 having a maximum penalty of two hundred fifty dollars as provided for
35 in chapter 7.80 RCW.

1 **Sec. 324.** RCW 66.24.395 and 1997 c 321 s 25 are each amended to
2 read as follows:

3 (1)(a) There shall be a license that may be issued to corporations,
4 associations, or persons operating as federally licensed commercial
5 common passenger carriers engaged in interstate commerce, in or over
6 territorial limits of the state of Washington on passenger trains,
7 vessels, or airplanes. Such license shall permit the sale of
8 spirituous liquor, wine, and beer at retail for passenger consumption
9 within the state upon one such train passenger car, vessel, or
10 airplane, while in or over the territorial limits of the state. Such
11 license shall include the privilege of transporting into and storing
12 within the state such liquor for subsequent retail sale to passengers
13 in passenger train cars, vessels or airplanes. The fees for such
14 master license shall be seven hundred fifty dollars per annum (class
15 CCI-1)(~~(+ PROVIDED, That)~~). However:

16 (i) Upon payment of an additional sum of five dollars per annum per
17 car, or vessel, or airplane, the privileges authorized by such license
18 classes shall extend to additional cars, or vessels, or airplanes
19 operated by the same licensee within the state, and a duplicate license
20 for each additional car, or vessel, or airplane shall be issued(~~(+ PROVIDED, FURTHER, That)~~);

22 (ii) Such licensee may make such sales and/or service upon cars, or
23 vessels, or airplanes in emergency for not more than five consecutive
24 days without such license(~~(+ AND PROVIDED, FURTHER, That)~~); and

25 (iii) Such license shall be valid only while such cars, or vessels,
26 or airplanes are actively operated as common carriers for hire in
27 interstate commerce and not while they are out of such common carrier
28 service.

29 (b) Alcoholic beverages sold and/or served for consumption by such
30 interstate common carriers while within or over the territorial limits
31 of this state shall be subject to (~~(such board markup and)~~) the state
32 liquor taxes in an amount to approximate the revenue that would have
33 been realized from (~~(such markup and)~~) the taxes had the alcoholic
34 beverages been purchased in Washington(~~(+ PROVIDED, That the board's
35 markup shall be applied on spirituous liquor only)~~). Such common
36 carriers shall report such sales and/or service and pay (~~(such markup
37 and)~~) taxes in accordance with procedures prescribed by the board.

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

7 **Sec. 325.** RCW 66.24.400 and 2008 c 41 s 10 are each amended to
8 read as follows:

9 (1) There shall be a retailer's license, to be known and designated
10 as a spirits, beer, and wine restaurant license, to sell spirituous
11 liquor by the individual glass, beer, and wine, at retail, for
12 consumption on the premises, including mixed drinks and cocktails
13 compounded or mixed on the premises only. A club licensed under
14 chapter 70.62 RCW with overnight sleeping accommodations, that is
15 licensed under this section may sell liquor by the bottle to registered
16 guests of the club for consumption in guest rooms, hospitality rooms,
17 or at banquets in the club. A patron of a bona fide restaurant or club
18 licensed under this section may remove from the premises recorked or
19 recapped in its original container any portion of wine which was
20 purchased for consumption with a meal, and registered guests who have
21 purchased liquor from the club by the bottle may remove from the
22 premises any unused portion of such liquor in its original container.
23 Such license may be issued only to bona fide restaurants and clubs, and
24 to dining, club and buffet cars on passenger trains, and to dining
25 places on passenger boats and airplanes, and to dining places at civic
26 centers with facilities for sports, entertainment, and conventions, and
27 to such other establishments operated and maintained primarily for the
28 benefit of tourists, vacationers and travelers as the board shall
29 determine are qualified to have, and in the discretion of the board
30 should have, a spirits, beer, and wine restaurant license under the
31 provisions and limitations of this title.

32 (2) 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 bottled wine for off-premises
35 consumption. Spirits and beer may not be sold for off-premises
36 consumption under this section except as provided in subsection (4) of

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

3 (3) The holder of a spirits, beer, and wine license or its manager
4 may furnish beer, wine, or spirituous liquor to the licensee's
5 employees free of charge as may be required for use in connection with
6 instruction on beer, wine, or spirituous liquor. The instruction may
7 include the history, nature, values, and characteristics of beer, wine,
8 or spirituous liquor, the use of wine lists, and the methods of
9 presenting, serving, storing, and handling beer, wine, and spirituous
10 liquor. The spirits, beer, and wine restaurant licensee must use the
11 beer, wine, or spirituous liquor it obtains under its license for the
12 sampling as part of the instruction. The instruction must be given on
13 the premises of the spirits, beer, and wine restaurant licensee.

14 (4) 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 for off-premises consumption malt
17 liquor in kegs or other containers that are capable of holding four
18 gallons or more of liquid and are registered in accordance with RCW
19 66.28.200. The annual fee for the endorsement under this subsection is
20 one hundred twenty dollars.

21 (5) The board may issue an endorsement to the spirits, beer, and
22 wine restaurant license that allows the holder of a spirits, beer, and
23 wine restaurant license or liquor franchise holder to purchase spirits,
24 beer, and wine from Washington state distributors or directly from out-
25 of-state distillers, brewers, or wineries.

26 **Sec. 326.** RCW 66.24.540 and 1999 c 129 s 1 are each amended to
27 read as follows:

28 There shall be a retailer's license to be designated as a motel
29 license. The motel license may be issued to a motel regardless of
30 whether it holds any other class of license under this title. No
31 license may be issued to a motel offering rooms to its guests on an
32 hourly basis. The license authorizes the licensee to:

33 (1) Sell, at retail, in locked honor bars, spirits in individual
34 bottles not to exceed fifty milliliters, beer in individual cans or
35 bottles not to exceed twelve ounces, and wine in individual bottles not
36 to exceed one hundred eighty-seven milliliters, to registered guests of
37 the motel for consumption in guest rooms.

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

3 (b) ~~((All spirits to be sold under the license must be purchased
4 from the board.~~

5 (c)) The licensee shall require proof of age from the guest
6 renting a guest room and requesting the use of an honor bar. The guest
7 shall also execute an affidavit verifying that no one under twenty-one
8 years of age shall have access to the spirits, beer, and wine in the
9 honor bar.

10 (2) Provide without additional charge, to overnight guests of the
11 motel, beer and wine by the individual serving for on-premises
12 consumption at a specified regular date, time, and place as may be
13 fixed by the board. Self-service by attendees is prohibited. All beer
14 and wine service must be done by an alcohol server as defined in RCW
15 66.20.300 and comply with RCW 66.20.310.

16 The annual fee for a motel license is five hundred dollars.

17 "Motel" as used in this section means a transient accommodation
18 licensed under chapter 70.62 RCW.

19 As used in this section, "spirits," "beer," and "wine" have the
20 meanings defined in RCW 66.04.010.

21 **Sec. 327.** RCW 66.24.590 and 2008 c 41 s 11 are each amended to
22 read as follows:

23 (1) There shall be a retailer's license to be designated as a hotel
24 license. No license may be issued to a hotel offering rooms to its
25 guests on an hourly basis. Food service provided for room service,
26 banquets or conferences, or restaurant operation under this license
27 shall meet the requirements of rules adopted by the board.

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

29 (a) Sell spiritous liquor, beer, and wine, by the individual glass,
30 at retail, for consumption on the premises, including mixed drinks and
31 cocktails compounded and mixed on the premises;

32 (b) Sell, at retail, from locked honor bars, in individual units,
33 spirits not to exceed fifty milliliters, beer in individual units not
34 to exceed twelve ounces, and wine in individual bottles not to exceed
35 three hundred eighty-five milliliters, to registered guests of the
36 hotel for consumption in guest rooms. The licensee shall require proof
37 of age from the guest renting a guest room and requesting the use of an

1 honor bar. The guest shall also execute an affidavit verifying that no
2 one under twenty-one years of age shall have access to the spirits,
3 beer, and wine in the honor bar;

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

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

13 (e) Sell beer, including strong beer, or wine, in the
14 manufacturer's sealed container at retail sales locations within the
15 hotel premises;

16 (f) Sell for on or off-premises consumption, including through room
17 service and service to occupants of private residential units managed
18 by the hotel, wine carrying a label exclusive to the hotel license
19 holder;

20 (g) Place in guest rooms at check-in, a complimentary bottle of
21 beer, including strong beer, or wine in a manufacturer-sealed
22 container, and make a reference to this service in promotional
23 material.

24 (3) If all or any facilities for alcoholic beverage service and the
25 preparation, cooking, and serving of food are operated under contract
26 or joint venture agreement, the operator may hold a license separate
27 from the license held by the operator of the hotel. Food and beverage
28 inventory used in separate licensed operations at the hotel may not be
29 shared and shall be separately owned and stored by the separate
30 licensees.

31 ~~(4) ((All spirits to be sold under this license must be purchased
32 from the board.~~

33 ~~(5))~~ All on-premise alcoholic beverage service must be done by an
34 alcohol server as defined in RCW 66.20.300 and must comply with RCW
35 66.20.310.

36 ~~((6))~~ (5)(a) The hotel license allows the licensee to remove from
37 the liquor stocks at the licensed premises, liquor for sale and service
38 at event locations at a specified date and place not currently licensed

1 by the board. If the event is open to the public, it must be sponsored
2 by a society or organization as defined by RCW 66.24.375. If
3 attendance at the event is limited to members or invited guests of the
4 sponsoring individual, society, or organization, the requirement that
5 the sponsor must be a society or organization as defined by RCW
6 66.24.375 is waived.

7 (b) The holder of this license shall, if requested by the board,
8 notify the board or its designee of the date, time, place, and location
9 of any event. Upon request, the licensee shall provide to the board
10 all necessary or requested information concerning the society or
11 organization that will be holding the function at which the endorsed
12 license will be utilized.

13 (c) Licensees may cater events on a domestic winery premises.

14 ~~((+7))~~ (6) The holder of this license or its manager may furnish
15 spirits, beer, or wine to the licensee's employees who are twenty-one
16 years of age or older free of charge as may be required for use in
17 connection with instruction on spirits, beer, and wine. The
18 instruction may include the history, nature, values, and
19 characteristics of spirits, beer, or wine, the use of wine lists, and
20 the methods of presenting, serving, storing, and handling spirits,
21 beer, or wine. The licensee must use the beer or wine it obtains under
22 its license for the sampling as part of the instruction. The
23 instruction must be given on the premises of the licensee.

24 ~~((+8))~~ (7) Minors may be allowed in all areas of the hotel where
25 alcohol may be consumed; however, the consumption must be incidental to
26 the primary use of the area. These areas include, but are not limited
27 to, tennis courts, hotel lobbies, and swimming pool areas. If an area
28 is not a mixed use area, and is primarily used for alcohol service, the
29 area must be designated and restricted to access by minors.

30 ~~((+9))~~ (8) The annual fee for this license is two thousand
31 dollars.

32 ~~((+10))~~ (9) As used in this section, "hotel," "spirits," "beer,"
33 and "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

34 **Sec. 328.** RCW 66.28.060 and 2008 c 94 s 7 are each amended to read
35 as follows:

36 Every distillery licensed under this title shall make monthly

1 reports to the board pursuant to the regulations. (~~No such distillery~~
2 ~~shall make any sale of spirits within the state of Washington except to~~
3 ~~the board and as provided in RCW 66.24.145.~~)

4 **Sec. 329.** RCW 66.32.010 and 1955 c 39 s 3 are each amended to read
5 as follows:

6 Except as permitted by the board, no liquor shall be kept or had by
7 any person within this state unless the package in which the liquor was
8 contained had, while containing that liquor, been sealed with the
9 official seal adopted by the board, except in the case of:

- 10 (1) (~~Liquor imported by the board; or~~
11 ~~(2)~~) Liquor manufactured in the state for (~~sale to the board or~~
12 ~~for~~) export; or
13 (~~(3)~~) (2) Beer, purchased in accordance with the provisions of
14 law; or
15 (~~(4)~~) (3) Wine or beer exempted in RCW 66.12.010.

16 **Sec. 330.** RCW 66.44.150 and 1955 c 289 s 5 are each amended to
17 read as follows:

18 If any person in this state buys alcoholic beverages from any
19 person other than (~~the board, a state liquor store, or~~) some person
20 authorized by the board to sell them, he or she shall be guilty of a
21 misdemeanor.

22 **Sec. 331.** RCW 66.44.160 and 1955 c 289 s 6 are each amended to
23 read as follows:

24 Except as otherwise provided in this title, any person who has or
25 keeps or transports alcoholic beverages other than those purchased from
26 (~~the board, a state liquor store,~~) a liquor franchise or some person
27 authorized by the board to sell them(~~(7)~~) shall be guilty of a
28 violation of this title.

29 NEW SECTION. **Sec. 332.** The following acts or parts of acts are
30 each repealed:

- 31 (1) RCW 66.08.070 (Purchase of liquor by board--Consignment not
32 prohibited--Warranty or affirmation not required for wine or malt
33 purchases) and 2011 c ... s 203 (section 203 of this act), 1985 c 226
34 s 2, 1973 1st ex.s. c 209 s 1, & 1933 ex.s. c 62 s 67;

1 (2) RCW 66.08.160 (Acquisition of warehouse authorized) and 1947 c
2 134 s 1;

3 (3) RCW 66.08.165 (Strategies to improve operational efficiency and
4 revenue) and 2005 c 231 s 1;

5 (4) RCW 66.08.166 (Sunday sales authorized--Store selection and
6 other requirements) and 2005 c 231 s 2;

7 (5) RCW 66.08.220 (Liquor revolving fund--Separate account--
8 Distribution) and 2009 c 271 s 4, 2007 c 370 s 15, 1999 c 281 s 2, &
9 1949 c 5 s 11;

10 (6) RCW 66.08.235 (Liquor control board construction and
11 maintenance account) and 2005 c 151 s 4, 2002 c 371 s 918, & 1997 c 75
12 s 1;

13 (7) RCW 66.16.010 (Board may establish--Price standards--Prices in
14 special instances) and 2005 c 518 s 935, 2003 1st sp.s. c 25 s 928,
15 1939 c 172 s 10, 1937 c 62 s 1, & 1933 ex.s. c 62 s 4;

16 (8) RCW 66.16.040 (Sales of liquor by employees--Identification
17 cards--Permit holders--Sales for cash--Exception) and 2005 c 206 s 1,
18 2005 c 151 s 5, 2005 c 102 s 1, 2004 c 61 s 1, 1996 c 291 s 1, 1995 c
19 16 s 1, 1981 1st ex.s. c 5 s 8, 1979 c 158 s 217, 1973 1st ex.s. c 209
20 s 3, 1971 ex.s. c 15 s 1, 1959 c 111 s 1, & 1933 ex.s. c 62 s 7;

21 (9) RCW 66.16.041 (Credit and debit card purchases--Rules--
22 Provision, installation, maintenance of equipment by board--
23 Consideration of offsetting liquor revolving fund balance reduction)
24 and 2005 c 151 s 6, 2004 c 63 s 2, 1998 c 265 s 3, 1997 c 148 s 2, &
25 1996 c 291 s 2;

26 (10) RCW 66.16.050 (Sale of beer and wine to person licensed to
27 sell) and 1933 ex.s. c 62 s 8;

28 (11) RCW 66.16.060 (Sealed packages may be required, exception) and
29 1943 c 216 s 1 & 1933 ex.s. c 62 s 9;

30 (12) RCW 66.16.070 (Liquor cannot be opened or consumed on store
31 premises) and 1933 ex.s. c 62 s 10;

32 (13) RCW 66.16.090 (Record of individual purchases confidential--
33 Penalty for disclosure) and 1933 ex.s. c 62 s 89;

34 (14) RCW 66.16.100 (Fortified wine sales) and 1997 c 321 s 42 &
35 1987 c 386 s 5;

36 (15) RCW 66.16.120 (Employees working on Sabbath) and 2005 c 231
37 s 5; and

1 (16) RCW 66.28.180 (Price list--Contents--Contracts and memoranda
2 with distributors) and 2009 c 506 s 10, 2006 c 302 s 10, & 2005 c 274
3 s 327.

4 **PART IV - MISCELLANEOUS**

5 NEW SECTION. **Sec. 401.** RCW 66.16.110 is recodified as a section
6 in chapter 66.08 RCW.

7 NEW SECTION. **Sec. 402.** (1) Sections 201 through 215 of this act
8 take effect August 1, 2011.

9 (2) Sections 301 through 332 of this act take effect July 1, 2013.

10 NEW SECTION. **Sec. 403.** The secretary of state shall submit this
11 act to the people for their adoption and ratification, or rejection, at
12 the next general election to be held in this state, in accordance with
13 Article II, section 1 of the state Constitution and the laws adopted to
14 facilitate its operation.

--- END ---