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**SUBSTITUTE HOUSE BILL 2701**

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**State of Washington**

**64th Legislature**

**2016 Regular Session**

**By** House Commerce & Gaming (originally sponsored by Representatives Wylie, Vick, Springer, Hickel, and Fey)

READ FIRST TIME 02/05/16.

1 AN ACT Relating to the regulation of alcoholic beverages;  
2 amending RCW 66.24.380, 66.12.110, 66.12.120, 66.12.240, 66.20.170,  
3 66.20.180, 66.20.190, 66.20.200, 66.20.210, 66.24.210, 66.28.030,  
4 66.28.035, 66.28.040, and 66.44.350; reenacting and amending RCW  
5 66.24.170 and 66.20.010; and repealing RCW 66.24.440.

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

7 **Sec. 1.** RCW 66.24.170 and 2014 c 105 s 1 and 2014 c 27 s 1 are  
8 each reenacted and amended to read as follows:

9 (1) There (~~shall be~~) is a license for domestic wineries; fee to  
10 be computed only on the liters manufactured: Less than two hundred  
11 fifty thousand liters per year, one hundred dollars per year; and two  
12 hundred fifty thousand liters or more per year, four hundred dollars  
13 per year.

14 (2) The license allows for the manufacture of wine in Washington  
15 state from grapes or other agricultural products.

16 (3) Any domestic winery licensed under this section may also act  
17 as a retailer of wine of its own production. Any domestic winery  
18 licensed under this section may act as a distributor of its own  
19 production. Notwithstanding any language in this title to the  
20 contrary, a domestic winery may use a common carrier to deliver up to  
21 one hundred cases of its own production, in the aggregate, per month

1 to licensed Washington retailers. A domestic winery may not arrange  
2 for any such common carrier shipments to licensed retailers of wine  
3 not of its own production. Except as provided in this section, any  
4 winery operating as a distributor and/or retailer under this  
5 subsection must comply with the applicable laws and rules relating to  
6 distributors and/or retailers, except that a winery operating as a  
7 distributor may maintain a warehouse off the premises of the winery  
8 for the distribution of wine of its own production provided that: (a)  
9 The warehouse has been approved by the board under RCW 66.24.010; and  
10 (b) the number of warehouses off the premises of the winery does not  
11 exceed one.

12 (4) A domestic winery licensed under this section, at locations  
13 separate from any of its production or manufacturing sites, may serve  
14 samples of its own products, with or without charge, may sell wine of  
15 its own production at retail, and may sell for off-premises  
16 consumption wines of its own production in kegs or sanitary  
17 containers meeting the applicable requirements of federal law brought  
18 to the premises by the purchaser or furnished by the licensee and  
19 filled at the tap at the time of sale, provided that: (a) Each  
20 additional location has been approved by the board under RCW  
21 66.24.010; (b) the total number of additional locations does not  
22 exceed two; (c) a winery may not act as a distributor at any such  
23 additional location; and (d) any person selling or serving wine at an  
24 additional location for (~~on-premise~~ [~~on-premises~~]) on-premises  
25 consumption must obtain a class 12 or class 13 alcohol server permit.  
26 Each additional location is deemed to be part of the winery license  
27 for the purpose of this title. At additional locations operated by  
28 multiple wineries under this section, if the board cannot connect a  
29 violation of RCW 66.44.200 or 66.44.270 to a single licensee, the  
30 board may hold all licensees operating the additional location  
31 jointly liable. Nothing in this subsection may be construed to  
32 prevent a domestic winery from holding multiple domestic winery  
33 licenses.

34 (5)(a) A domestic winery licensed under this section may apply to  
35 the board for an endorsement to sell wine of its own production at  
36 retail for off-premises consumption at a qualifying farmers market.  
37 The annual fee for this endorsement is seventy-five dollars. An  
38 endorsement issued pursuant to this subsection does not count toward  
39 the two additional retail locations limit specified in this section.

1 (b) For each month during which a domestic winery will sell wine  
2 at a qualifying farmers market, the winery must provide the board or  
3 its designee a list of the dates, times, and locations at which  
4 bottled wine may be offered for sale. This list must be received by  
5 the board before the winery may offer wine for sale at a qualifying  
6 farmers market.

7 (c) The wine sold at qualifying farmers markets must be made  
8 entirely from grapes grown in a recognized Washington appellation or  
9 from other agricultural products grown in this state.

10 (d) Each approved location in a qualifying farmers market is  
11 deemed to be part of the winery license for the purpose of this  
12 title. The approved locations under an endorsement granted under this  
13 subsection include tasting or sampling privileges subject to the  
14 conditions pursuant to RCW 66.24.175. The winery may not store wine  
15 at a farmers market beyond the hours that the winery offers bottled  
16 wine for sale. The winery may not act as a distributor from a farmers  
17 market location.

18 (e) Before a winery may sell bottled wine at a qualifying farmers  
19 market, the farmers market must apply to the board for authorization  
20 for any winery with an endorsement approved under this subsection to  
21 sell bottled wine at retail at the farmers market. This application  
22 (~~shall~~) must include, at a minimum: (i) A map of the farmers market  
23 showing all booths, stalls, or other designated locations at which an  
24 approved winery may sell bottled wine; and (ii) the name and contact  
25 information for the on-site market managers who may be contacted by  
26 the board or its designee to verify the locations at which bottled  
27 wine may be sold. Before authorizing a qualifying farmers market to  
28 allow an approved winery to sell bottled wine at retail at its  
29 farmers market location, the board (~~shall~~) must notify the persons  
30 or entities of such application for authorization pursuant to RCW  
31 66.24.010 (8) and (9). An authorization granted under this subsection  
32 (5)(e) may be withdrawn by the board for any violation of this title  
33 or any rules adopted under this title.

34 (f) The board may adopt rules establishing the application and  
35 approval process under this section and such additional rules as may  
36 be necessary to implement this section.

37 (g) For the purposes of this subsection:

38 (i) "Qualifying farmers market" means an entity that sponsors a  
39 regular assembly of vendors at a defined location for the purpose of  
40 promoting the sale of agricultural products grown or produced in this

1 state directly to the consumer under conditions that meet the  
2 following minimum requirements:

3 (A) There are at least five participating vendors who are farmers  
4 selling their own agricultural products;

5 (B) The total combined gross annual sales of vendors who are  
6 farmers exceeds the total combined gross annual sales of vendors who  
7 are processors or resellers. However, if a farmers market does not  
8 satisfy this subsection (5)(g)(i)(B), a farmers market is still  
9 considered a "qualifying farmers market" if the total combined gross  
10 annual sales of farmers and processors at the farmers market is one  
11 million dollars or more;

12 (C) The total combined gross annual sales of vendors who are  
13 farmers, processors, or resellers exceeds the total combined gross  
14 annual sales of vendors who are not farmers, processors, or  
15 resellers;

16 (D) The sale of imported items and secondhand items by any vendor  
17 is prohibited; and

18 (E) No vendor is a franchisee.

19 (ii) "Farmer" means a natural person who sells, with or without  
20 processing, agricultural products that he or she raises on land he or  
21 she owns or leases in this state or in another state's county that  
22 borders this state.

23 (iii) "Processor" means a natural person who sells processed food  
24 that he or she has personally prepared on land he or she owns or  
25 leases in this state or in another state's county that borders this  
26 state.

27 (iv) "Reseller" means a natural person who buys agricultural  
28 products from a farmer and resells the products directly to the  
29 consumer.

30 (6)(a) During an event held by a not-for-profit society or  
31 organization holding a special occasion license issued under RCW  
32 66.24.380, a domestic winery licensed under this section may take  
33 purchase orders, either in writing or electronically, and accept  
34 payment for wines of its own production and for off-premises  
35 consumption, subject to the following conditions:

36 (i) Wine produced by the domestic winery may be served for on-  
37 premises consumption by the special occasion licensee at the event  
38 for which the license was issued;

1 (ii) Any wine purchased from the domestic winery under this  
2 subsection must be delivered to the consumer on a date subsequent to  
3 the conclusion of the special occasion event;

4 (iii) Any wine purchased from the domestic winery under this  
5 subsection must be delivered to the purchaser at a location other  
6 than the location at which the special occasion event was held;

7 (iv) The domestic winery must comply with all requirements under  
8 chapter 66.20 RCW regarding the direct sale of wine to consumers; and

9 (v) The wine sold under this subsection is not subject to resale.

10 (b) A domestic winery that conducts sales of wine under (a) of  
11 this subsection is entitled to all proceeds from such sales, but may  
12 enter into an agreement to share sales proceeds with the not-for-  
13 profit entity holding the special occasion license under RCW  
14 66.24.380.

15 (7) Wine produced in Washington state by a domestic winery  
16 licensee may be shipped out-of-state for the purpose of making it  
17 into sparkling wine and then returned to such licensee for resale.  
18 Such wine ((shall be)) is deemed wine manufactured in the state of  
19 Washington for the purposes of RCW 66.24.206, and ((shall)) may not  
20 require a special license.

21 **Sec. 2.** RCW 66.24.380 and 2012 c 2 s 112 are each amended to  
22 read as follows:

23 There is a retailer's license to be designated as a special  
24 occasion license to be issued to a not-for-profit society or  
25 organization to sell spirits, beer, and wine by the individual  
26 serving for on-premises consumption at a specified event, such as at  
27 picnics or other special occasions, at a specified date and place;  
28 fee sixty dollars per day.

29 (1) The not-for-profit society or organization is limited to  
30 sales of no more than twelve calendar days per year. For the purposes  
31 of this subsection, special occasion licensees that are "agricultural  
32 area fairs" or "agricultural county, district, and area fairs," as  
33 defined by RCW 15.76.120, that receive a special occasion license  
34 may, once per calendar year, count as one event fairs that last  
35 multiple days, so long as alcohol sales are at set dates, times, and  
36 locations, and the board receives prior notification of the dates,  
37 times, and locations. The special occasion license applicant will pay  
38 the sixty dollars per day for this event.

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

4 (3) In addition to offering the sale of wine by the individual  
5 selling for on-premises consumption, the licensee may sell wine in  
6 original, unopened containers for on-premises consumption if  
7 permission is obtained from the board prior to the event.

8 (4) Sale, service, and consumption of spirits, beer, and wine is  
9 to be confined to specified premises or designated areas only.

10 ((+4)) (5) Liquor sold under this special occasion license must  
11 be purchased from a licensee of the board.

12 ((+5)) (6) Any violation of this section is a class 1 civil  
13 infraction having a maximum penalty of two hundred fifty dollars as  
14 provided for in chapter 7.80 RCW.

15 **Sec. 3.** RCW 66.12.110 and 2012 c 117 s 272 are each amended to  
16 read as follows:

17 (1) A person twenty-one years of age or over may bring into the  
18 state from without the United States, free of tax and markup, for his  
19 or her personal or household use such alcoholic beverages as have  
20 been declared and permitted to enter the United States duty free  
21 under federal law.

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

36 **Sec. 4.** RCW 66.12.120 and 1995 c 100 s 1 are each amended to  
37 read as follows:

1 Notwithstanding any other provision of this title (~~66-RCW~~), a  
2 person twenty-one years of age or over may, free of tax (~~and~~  
3 ~~markup~~), for personal or household use, bring into the state of  
4 Washington from another state no more than once per calendar month up  
5 to two liters of spirits or wine or two hundred eighty-eight ounces  
6 of beer. Additionally, such person may be authorized by the board to  
7 bring into the state of Washington from another state a reasonable  
8 amount of alcoholic beverages in excess of that provided in this  
9 section for personal or household use only upon payment of an  
10 equivalent (~~markup and~~) tax as would be applicable to the purchase  
11 of the same or similar liquor at retail (~~from a state liquor store~~)  
12 in this state. The board (~~shall~~) must adopt appropriate regulations  
13 pursuant to chapter 34.05 RCW for the purpose of carrying into effect  
14 the provisions of this section.

15 **Sec. 5.** RCW 66.12.240 and 2009 c 361 s 1 are each amended to  
16 read as follows:

17 (1) Nothing in this title applies to or prevents a wedding  
18 boutique or art gallery from offering or supplying without charge  
19 wine or beer by the individual glass to a customer for consumption on  
20 the premises. However, the customer must be at least twenty-one years  
21 of age and may only be offered one glass of wine or beer, and wine or  
22 beer served or consumed (~~shall~~) must be purchased from a Washington  
23 state licensed retailer (~~or a Washington state liquor store or~~  
24 ~~agency~~) at full retail price. A wedding boutique or art gallery  
25 offering wine or beer without charge may not advertise the service of  
26 complimentary wine or beer and may not sell wine or beer in any  
27 manner. Any employee involved in the service of wine or beer must  
28 complete a board-approved limited alcohol server training program.

29 (2) (~~For the purposes of this section:~~) The definitions in this  
30 subsection apply throughout this section unless the context clearly  
31 requires otherwise.

32 (a) "Art gallery" means a room or building devoted to the  
33 exhibition and/or sale of the works of art.

34 (b) "Wedding boutique" means a business primarily engaged in the  
35 sale of wedding merchandise.

36 **Sec. 6.** RCW 66.20.010 and 2015 c 195 s 1, 2015 c 194 s 3, and  
37 2015 c 59 s 1 are each reenacted and amended to read as follows:

1       Upon application in the prescribed form being made to any  
2 employee authorized by the board to issue permits, accompanied by  
3 payment of the prescribed fee, and upon the employee being satisfied  
4 that the applicant should be granted a permit under this title, the  
5 employee must issue to the applicant under such regulations and at  
6 such fee as may be prescribed by the board a permit of the class  
7 applied for, as follows:

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

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

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

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

30       (5) Where the application is for a special permit by a  
31 manufacturer to import or purchase within the state alcohol, malt,  
32 and other materials containing alcohol to be used in the manufacture  
33 of liquor, or other products, a special permit;

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



1 (7) Where the application is for a special permit by an  
2 authorized representative of a military installation operated by or  
3 for any of the armed forces within the geographical boundaries of the  
4 state of Washington, a special permit to purchase liquor for use on  
5 such military installation;

6 (8) Where the application is for a special permit by a vendor  
7 that manufactures or sells a product which cannot be effectively  
8 presented to potential buyers without serving it with liquor or by a  
9 manufacturer, importer, or distributor, or representative thereof, to  
10 serve liquor without charge to delegates and guests at a convention  
11 of a trade association composed of licensees of the board, when the  
12 said liquor is served in a hospitality room or from a booth in a  
13 board-approved suppliers' display room at the convention, and when  
14 the liquor so served is for consumption in the said hospitality room  
15 or display room during the convention, anything in this title to the  
16 contrary notwithstanding. Any such spirituous liquor must be  
17 purchased from a spirits retailer or distributor, and any such liquor  
18 is subject to the taxes imposed by RCW 82.08.150, 66.24.290, and  
19 66.24.210;

20 (9) Where the application is for a special permit by a  
21 manufacturer, importer, or distributor, or representative thereof, to  
22 donate liquor for a reception, breakfast, luncheon, or dinner for  
23 delegates and guests at a convention of a trade association composed  
24 of licensees of the board, when the liquor so donated is for  
25 consumption at the said reception, breakfast, luncheon, or dinner  
26 during the convention, anything in this title to the contrary  
27 notwithstanding. Any such spirituous liquor must be purchased from a  
28 spirits retailer or distributor, and any such liquor is subject to  
29 the taxes imposed by RCW 82.08.150, 66.24.290, and 66.24.210;

30 (10) Where the application is for a special permit by a  
31 manufacturer, importer, or distributor, or representative thereof, to  
32 donate and/or serve liquor without charge to delegates and guests at  
33 an international trade fair, show, or exposition held under the  
34 auspices of a federal, state, or local governmental entity or  
35 organized and promoted by a nonprofit organization, anything in this  
36 title to the contrary notwithstanding. Any such spirituous liquor  
37 must be purchased from a liquor spirits retailer or distributor, and  
38 any such liquor is subject to the taxes imposed by RCW 82.08.150,  
39 66.24.290, and 66.24.210;

1 (11) Where the application is for an annual special permit by a  
2 person operating a bed and breakfast lodging facility to donate or  
3 serve wine or beer without charge to overnight guests of the facility  
4 if the wine or beer is for consumption on the premises of the  
5 facility. "Bed and breakfast lodging facility," as used in this  
6 subsection, means a facility offering from one to eight lodging units  
7 and breakfast to travelers and guests;

8 (12) Where the application is for a special permit to allow  
9 tasting of alcohol by persons at least eighteen years of age under  
10 the following circumstances:

11 (a) The application is from a community or technical college as  
12 defined in RCW 28B.50.030, a regional university, or a state  
13 university;

14 (b) The person who is permitted to taste under this subsection is  
15 enrolled as a student in a required or elective class that is part of  
16 a culinary, sommelier, wine business, enology, viticulture, wine  
17 technology, beer technology, or spirituous technology-related degree  
18 program;

19 (c) The alcohol served to any person in the degree-related  
20 programs under (b) of this subsection is tasted but not consumed for  
21 the purposes of educational training as part of the class curriculum  
22 with the approval of the educational provider;

23 (d) The service and tasting of alcoholic beverages is supervised  
24 by a faculty or staff member of the educational provider who is  
25 twenty-one years of age or older. The supervising faculty or staff  
26 member (~~shall~~) must possess a class 12 or 13 alcohol server permit  
27 under the provisions of RCW 66.20.310;

28 (e) The enrolled student permitted to taste the alcoholic  
29 beverages does not purchase the alcoholic beverages; and

30 (f) The permit fee for the special permit provided for in this  
31 subsection (12) must be waived by the board;

32 (13) Where the application is for a special permit by a  
33 distillery or craft distillery for an event not open to the general  
34 public to be held or conducted at a specific place, including at the  
35 licensed premise of the applying distillery or craft distillery, upon  
36 a specific date for the purpose of tasting and selling spirits of its  
37 own production. The distillery or craft distillery must obtain a  
38 permit for a fee of ten dollars per event. An application for the  
39 permit must be submitted for private banquet permits prior to the  
40 event and, once issued, must be posted in a conspicuous place at the

1 premises for which the permit was issued during all times the permit  
2 is in use. No licensee may receive more than twelve permits under  
3 this subsection (13) each year;

4 (14) Where the application is for a special permit by a  
5 manufacturer of wine for an event not open to the general public to  
6 be held or conducted at a specific place upon a specific date for the  
7 purpose of tasting and selling wine of its own production. The winery  
8 must obtain a permit for a fee of ten dollars per event. An  
9 application for the permit must be submitted at least ten days before  
10 the event and once issued, must be posted in a conspicuous place at  
11 the premises for which the permit was issued during all times the  
12 permit is in use. No more than twelve events per year may be held by  
13 a single manufacturer under this subsection;

14 (15) Where the application is for a special permit by an  
15 individual or business to sell a private collection of wine or  
16 spirits to an individual or business. The seller must obtain a permit  
17 at least five business days before the sale, for a fee of twenty-five  
18 dollars per sale. The seller must provide an inventory of products  
19 sold and the agreed price on a form provided by the board. The seller  
20 must submit the report and taxes due to the board no later than  
21 twenty calendar days after the sale. A permit may be issued under  
22 this section to allow the sale of a private collection to licensees,  
23 but may not be issued to a licensee to sell to a private individual  
24 or business which is not otherwise authorized under the license held  
25 by the seller. If the liquor is purchased by a licensee, all sales  
26 are subject to taxes assessed as on liquor acquired from any other  
27 source. The board may adopt rules to implement this section.

28 **Sec. 7.** 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  
31 for the purpose of procuring liquor, be accepted as an identification  
32 card by any licensee (~~or store employee~~) and as evidence of legal  
33 age of the person presenting such card, provided the licensee (~~or~~  
34 ~~store employee~~) complies with the conditions and procedures  
35 prescribed herein and such regulations as may be made by the board.

36 **Sec. 8.** RCW 66.20.180 and 2005 c 151 s 9 are each amended to  
37 read as follows:

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

11 **Sec. 9.** RCW 66.20.190 and 2012 c 117 s 280 are each amended to  
12 read as follows:

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

30 **Sec. 10.** RCW 66.20.200 and 2003 c 53 s 295 are each amended to  
31 read as follows:

32 (1) It (~~shall be~~) is unlawful for the owner of a card of  
33 identification to transfer the card to any other person for the  
34 purpose of aiding such person to procure alcoholic beverages from any  
35 licensee (~~or store employee~~). Any person who (~~shall~~) permits his  
36 or her card of identification to be used by another or transfer such  
37 card to another for the purpose of aiding such transferee to obtain  
38 alcoholic beverages from a licensee (~~or store employee~~) or gain

1 admission to a premises or portion of a premises classified by the  
2 board as off-limits to persons under twenty-one years of age, (~~shall~~  
3 ~~be~~) is guilty of a misdemeanor punishable as provided by RCW  
4 9A.20.021, except that a minimum fine of two hundred fifty dollars  
5 (~~shall~~) must be imposed and any sentence requiring community  
6 restitution (~~shall~~) must require not fewer than twenty-five hours  
7 of community restitution.

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

18 **Sec. 11.** RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each  
19 amended to read as follows:

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

26 (2) Such card in the possession of a licensee may be offered as a  
27 defense in any hearing held by the board for serving liquor to the  
28 person who signed the card and may be considered by the board as  
29 evidence that the licensee acted in good faith.

30 **Sec. 12.** RCW 66.24.210 and 2012 c 20 s 2 are each amended to  
31 read as follows:

32 (1) There is hereby imposed upon all wines except cider sold to  
33 wine distributors (~~and the Washington state liquor control board,~~)  
34 within the state a tax at the rate of twenty and one-fourth cents per  
35 liter. Any domestic winery or certificate of approval holder acting  
36 as a distributor of its own production (~~shall~~) must pay taxes  
37 imposed by this section. There is hereby imposed on all cider sold to  
38 wine distributors (~~and the Washington state liquor control board~~)

1 within the state a tax at the rate of three and fifty-nine one-  
2 hundredths cents per liter. However, wine sold or shipped in bulk  
3 from one winery to another winery (~~shall~~) is not (~~be~~) subject to  
4 such tax.

5 (a) The tax provided for in this section (~~shall~~) must be  
6 collected by direct payments based on wine purchased by wine  
7 distributors.

8 (b) Except as provided in subsection (7) of this section, every  
9 person purchasing wine under the provisions of this section (~~shall~~)  
10 must on or before the twentieth day of each month report to the board  
11 all purchases during the preceding calendar month in such manner and  
12 upon such forms as may be prescribed by the board, and with such  
13 report (~~shall~~) must pay the tax due from the purchases covered by  
14 such report unless the same has previously been paid. Any such  
15 purchaser of wine whose applicable tax payment is not postmarked by  
16 the twentieth day following the month of purchase will be assessed a  
17 penalty at the rate of two percent a month or fraction thereof. The  
18 board may require that every such person (~~shall~~) must execute to  
19 and file with the board a bond to be approved by the board, in such  
20 amount as the board may fix, securing the payment of the tax. If any  
21 such person fails to pay the tax when due, the board may  
22 (~~forthwith~~) suspend or cancel the license until all taxes are paid.

23 (c) Any licensed retailer authorized to purchase wine from a  
24 certificate of approval holder with a direct shipment endorsement or  
25 a domestic winery (~~shall~~) must make monthly reports to the liquor  
26 (~~control~~) and cannabis board on wine purchased during the preceding  
27 calendar month in the manner and upon such forms as may be prescribed  
28 by the board.

29 (2) An additional tax is imposed equal to the rate specified in  
30 RCW 82.02.030 multiplied by the tax payable under subsection (1) of  
31 this section. All revenues collected during any month from this  
32 additional tax (~~shall~~) must be transferred to the state general  
33 fund by the twenty-fifth day of the following month.

34 (3) An additional tax is imposed on wines subject to tax under  
35 subsection (1) of this section, at the rate of one-fourth of one cent  
36 per liter for wine sold after June 30, 1987. After June 30, 1996,  
37 such additional tax does not apply to cider. An additional tax of  
38 five one-hundredths of one cent per liter is imposed on cider sold  
39 after June 30, 1996. All revenues collected under this subsection (3)

1 (~~shall~~) must be disbursed quarterly to the Washington wine  
2 commission for use in carrying out the purposes of chapter 15.88 RCW.

3 (4) An additional tax is imposed on all wine subject to tax under  
4 subsection (1) of this section. The additional tax is equal to  
5 twenty-three and forty-four one-hundredths cents per liter on  
6 fortified wine as defined in RCW 66.04.010 when bottled or packaged  
7 by the manufacturer, one cent per liter on all other wine except  
8 cider, and eighteen one-hundredths of one cent per liter on cider.  
9 All revenues collected during any month from this additional tax  
10 (~~shall~~) must be deposited in the state general fund by the twenty-  
11 fifth day of the following month.

12 (5)(a) An additional tax is imposed on all cider subject to tax  
13 under subsection (1) of this section. The additional tax is equal to  
14 two and four one-hundredths cents per liter of cider sold after June  
15 30, 1996, and before July 1, 1997, and is equal to four and seven  
16 one-hundredths cents per liter of cider sold after June 30, 1997.

17 (b) All revenues collected from the additional tax imposed under  
18 this subsection (5) (~~shall~~) must be deposited in the state general  
19 fund.

20 (6) For the purposes of this section, "cider" means table wine  
21 that contains not less than one-half of one percent of alcohol by  
22 volume and not more than seven percent of alcohol by volume and is  
23 made from the normal alcoholic fermentation of the juice of sound,  
24 ripe apples or pears. "Cider" includes, but is not limited to,  
25 flavored, sparkling, or carbonated cider and cider made from  
26 condensed apple or pear must.

27 (7) For the purposes of this section, out-of-state wineries  
28 (~~shall~~) must pay taxes under this section on wine sold and shipped  
29 directly to Washington state residents in a manner consistent with  
30 the requirements of a wine distributor under subsections (1) through  
31 (4) of this section, except wineries (~~shall be~~) are responsible for  
32 the tax and not the resident purchaser.

33 (8) Notwithstanding any other provision of this section, any  
34 domestic winery or wine certificate of approval holder acting as a  
35 distributor of its own production that had total taxable sales of  
36 wine in Washington state of six thousand gallons or less during the  
37 calendar year preceding the date on which the tax would otherwise be  
38 due is not required to pay taxes under this section more often than  
39 annually.

1       **Sec. 13.** RCW 66.28.030 and 2012 c 2 s 113 are each amended to  
2 read as follows:

3       Every domestic distillery, brewery, and microbrewery, domestic  
4 winery, certificate of approval holder, licensed (~~(liquor)~~) spirits  
5 importer, licensed wine importer, and licensed beer importer is  
6 responsible for the conduct of any licensed spirits, beer, or wine  
7 distributor in selling, or contracting to sell, to retail licensees,  
8 spirits, beer, or wine manufactured by such domestic distillery,  
9 brewery, microbrewery, domestic winery, manufacturer holding a  
10 certificate of approval, sold by an authorized representative holding  
11 a certificate of approval, or imported by such (~~(liquor)~~) spirits,  
12 beer, or wine importer. Where the board finds that any licensed  
13 spirits, beer, or wine distributor has violated any of the provisions  
14 of this title or of the regulations of the board in selling or  
15 contracting to sell spirits, beer, or wine to retail licensees, the  
16 board may, in addition to any punishment inflicted or imposed upon  
17 such distributor, prohibit the sale of the brand or brands of  
18 spirits, beer, or wine involved in such violation to any or all  
19 retail licensees within the trade territory usually served by such  
20 distributor for such period of time as the board may fix,  
21 irrespective of whether the distiller manufacturing such spirits or  
22 the (~~(liquor)~~) spirits importer importing such spirits, brewer  
23 manufacturing such beer or the beer importer importing such beer, or  
24 the domestic winery manufacturing such wine or the wine importer  
25 importing such wine or the certificate of approval holder  
26 manufacturing such spirits, beer, or wine or acting as authorized  
27 representative actually participated in such violation.

28       **Sec. 14.** RCW 66.28.035 and 2012 c 39 s 7 are each amended to  
29 read as follows:

30       (1) By the (~~(15th)~~) 20th day of each month, all spirits  
31 certificate of approval holders must file with the board, in a form  
32 and manner required by the board, a report of all spirits delivered  
33 to purchasers in this state during the preceding month (~~(along with a~~  
34 ~~copy)~~). Copies of the invoices for all such purchases or other  
35 information required by the board that would disclose the identity of  
36 the purchasers must be made available upon request.

37       (2) A spirits certificate of approval holder may not ship or  
38 cause to be transported into this state any spirits unless the  
39 purchaser to whom the spirits are to be delivered is:



1 (a) Licensed by the board to sell spirits in this state, and the  
2 license is in good standing; or

3 (b) Otherwise legally authorized to sell spirits in this state.

4 (3) The liquor (~~control~~) and cannabis board must maintain on  
5 its web site a list of all purchasers that meet the conditions of  
6 subsection (2) of this section.

7 (4) A violation of this section is grounds for suspension of a  
8 spirits certificate of approval license in accordance with RCW  
9 66.08.150, in addition to any punishment as may be authorized by RCW  
10 66.28.030.

11 **Sec. 15.** RCW 66.28.040 and 2014 c 92 s 2 are each amended to  
12 read as follows:

13 Except as permitted by the board under RCW 66.20.010, no domestic  
14 brewery, microbrewery, distributor, distiller, domestic winery,  
15 importer, rectifier, certificate of approval holder, or other  
16 manufacturer of liquor may, within the state of Washington, give to  
17 any person any liquor; but nothing in this section nor in RCW  
18 66.28.305 prevents a domestic brewery, microbrewery, distributor,  
19 domestic winery, distiller, certificate of approval holder, or  
20 importer from furnishing samples of beer, wine, or spirituous liquor  
21 to authorized licensees for the purpose of negotiating a sale, in  
22 accordance with regulations adopted by the liquor (~~control~~) and  
23 cannabis board, provided that the samples are subject to taxes  
24 imposed by RCW 66.24.290 and 66.24.210; nothing in this section  
25 prevents a domestic brewery, microbrewery, domestic winery,  
26 distillery, certificate of approval holder, or distributor from  
27 furnishing beer, wine, or spirituous liquor for instructional  
28 purposes under RCW 66.28.150; nothing in this section prevents a  
29 domestic winery, certificate of approval holder, or distributor from  
30 furnishing wine without charge, subject to the taxes imposed by RCW  
31 66.24.210, to a not-for-profit group organized and operated solely  
32 for the purpose of enology or the study of viticulture which has been  
33 in existence for at least six months and that uses wine so furnished  
34 solely for such educational purposes or a domestic winery, or an out-  
35 of-state certificate of approval holder, from furnishing wine without  
36 charge or a domestic brewery, or an out-of-state certificate of  
37 approval holder, from furnishing beer without charge, subject to the  
38 taxes imposed by RCW 66.24.210 or 66.24.290, or a domestic distiller  
39 licensed under RCW 66.24.140 or an accredited representative of a

1 distiller, manufacturer, importer, or distributor of spirituous  
2 liquor licensed under RCW 66.24.310, from furnishing spirits without  
3 charge, to a nonprofit charitable corporation or association exempt  
4 from taxation under 26 U.S.C. Sec. 501(c)(3) or (6) of the internal  
5 revenue code of 1986 for use consistent with the purpose or purposes  
6 entitling it to such exemption; nothing in this section prevents a  
7 domestic brewery or microbrewery from serving beer without charge, on  
8 the brewery premises; nothing in this section prevents donations of  
9 wine for the purposes of RCW 66.12.180; nothing in this section  
10 prevents a domestic winery from serving wine without charge, on the  
11 winery premises; and nothing in this section prevents a craft  
12 distillery from serving spirits, on the distillery premises subject  
13 to RCW 66.24.145.

14 **Sec. 16.** RCW 66.44.350 and 2014 c 29 s 4 are each amended to  
15 read as follows:

16 Notwithstanding provisions of RCW 66.44.310, employees of  
17 businesses holding beer and/or wine restaurant; beer and/or wine  
18 private club; snack bar; spirits, beer, and wine restaurant; spirits,  
19 beer, and wine private club; catering; and sports entertainment  
20 facility licenses who are (~~licensees~~) between eighteen and twenty-  
21 one years of age (~~and over~~) may take orders for, serve, and sell  
22 liquor in any part of the licensed premises except cocktail lounges,  
23 bars, or other areas classified by the Washington state liquor  
24 (~~control~~) and cannabis board as off-limits to persons under twenty-  
25 one years of age: PROVIDED, That such employees may enter such  
26 restricted areas to perform work assignments including picking up  
27 liquor for service in other parts of the licensed premises,  
28 performing clean up work, setting up and arranging tables, delivering  
29 supplies, delivering messages, serving food, and seating patrons:  
30 PROVIDED FURTHER, That such employees (~~shall~~) remain in the areas  
31 off-limits to minors no longer than is necessary to carry out their  
32 aforementioned duties: PROVIDED FURTHER, That such employees  
33 (~~shall~~) are not be permitted to perform activities or functions of  
34 a bartender.

35 NEW SECTION. **Sec. 17.** RCW 66.24.440 (Liquor by the drink,  
36 spirits, beer, and wine restaurant, spirits, beer, and wine private  
37 club, hotel, spirits, beer, and wine nightclub, sports entertainment  
38 facility, and VIP airport lounge license—Purchase of liquor by

1 licensees—Discount) and 2011 c 325 s 3, 2009 c 271 s 8, 2007 c 370 s  
2 20, 1998 c 126 s 8, 1997 c 321 s 29, & 1949 c 5 s 5 are each  
3 repealed.

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