

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5537

Chapter 160, Laws of 2017

65th Legislature
2017 Regular Session

SPIRITS AND WINE DISTRIBUTORS--SALE TO EMPLOYEES

EFFECTIVE DATE: 7/23/2017

Passed by the Senate March 6, 2017
Yeas 41 Nays 7

CYRUS HABIB

President of the Senate

Passed by the House April 11, 2017
Yeas 76 Nays 21

FRANK CHOPP

Speaker of the House of Representatives

Approved April 27, 2017 11:20 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5537** as passed by Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

Secretary

FILED

April 27, 2017

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5537

Passed Legislature - 2017 Regular Session

State of Washington

65th Legislature

2017 Regular Session

By Senate Commerce, Labor & Sports (originally sponsored by Senators King and Keiser)

READ FIRST TIME 02/17/17.

1 AN ACT Relating to authorizing licensed spirits and wine
2 distributors to sell spirits and wine products to their employees in
3 certain circumstances; and adding a new section to chapter 66.28 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 66.28
6 RCW to read as follows:

7 (1) A person holding a spirits distributor license issued
8 pursuant to RCW 66.24.055 may sell spirits directly to bona fide,
9 full-time employees, subject to the following requirements:

10 (a) No spirits may be sold under this section unless they are in
11 such condition that they cannot reasonably be sold in the normal
12 course of business, such as, for example, because of damage to the
13 labels on individual bottles;

14 (b) No spirits may be sold under this section for less than the
15 spirits distributor licensee's cost of acquisition;

16 (c) All sales of spirits made under this section are subject to
17 the license issuance fee established by RCW 66.24.630(4) and the
18 taxes imposed on a retail sale under RCW 82.08.150;

19 (d) No spirits may be sold under this section to a person who has
20 been employed by the spirits distributor licensee for less than

1 ninety days at the time of the sale or who is under the age of
2 twenty-one;

3 (e) No person purchasing spirits under this section may sell such
4 spirits by the drink or otherwise to a third person, or otherwise
5 dispose of all or any part of such spirits in any manner or for any
6 purpose other than personal use; and

7 (f) No spirits may be sold under this section by a person holding
8 any license other than a spirits distributor license, whether or not
9 the license held by such person permits the sale of spirits to
10 consumers.

11 (2) A person holding a wine distributor license issued pursuant
12 to RCW 66.24.200 may sell wine directly to bona fide, full-time
13 employees, subject to the following requirements:

14 (a) No wine may be sold under this section unless it is in such
15 condition that it cannot reasonably be sold in the normal course of
16 business, such as, for example, because of damage to the labels on
17 individual bottles;

18 (b) No wine may be sold under this section for less than the wine
19 distributor licensee's cost of acquisition;

20 (c) All sales of wine made under this section are subject to the
21 same taxes that would be applicable if the sale were made to a
22 consumer;

23 (d) No wine may be sold under this section to a person who has
24 been employed by the wine distributor licensee for less than ninety
25 days at the time of the sale or who is under the age of twenty-one;

26 (e) No person purchasing wine under this section may sell such
27 wine by the glass or otherwise to a third person, or otherwise
28 dispose of all or any part of such wine in any manner or for any
29 purpose other than personal use; and

30 (f) No wine may be sold under this section by a person holding
31 any license other than a wine distributor license, whether or not the
32 license held by such person permits the sale of wine to consumers.

Passed by the Senate March 6, 2017.
Passed by the House April 11, 2017.
Approved by the Governor April 27, 2017.
Filed in Office of Secretary of State April 27, 2017.

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