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SENATE BILL 6334

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State of Washington                      63rd Legislature                      2014 Regular Session

By Senators Keiser, Hewitt, Kohl-Welles, Honeyford, Parlette, and Kline

Read first time 01/21/14. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to sales of growlers of wine or beer; amending RCW  
2 66.24.170, 66.24.244, 66.24.354, 66.24.400, and 66.24.590; and  
3 reenacting and amending RCW 66.24.240 and 66.24.371.

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

5            **Sec. 1.** RCW 66.24.170 and 2013 c 238 s 2 are each amended to read  
6 as follows:

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

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

13            (3) Any domestic winery licensed under this section may also act as  
14 a retailer of wine of its own production. Any domestic winery licensed  
15 under this section may act as a distributor of its own production.  
16 Notwithstanding any language in this title to the contrary, a domestic  
17 winery may use a common carrier to deliver up to one hundred cases of  
18 its own production, in the aggregate, per month to licensed Washington  
19 retailers. A domestic winery may not arrange for any such common

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

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

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

37 (b) For each month during which a domestic winery will sell wine at  
38 a qualifying farmers market, the winery must provide the board or its

1 designee a list of the dates, times, and locations at which bottled  
2 wine may be offered for sale. This list must be received by the board  
3 before the winery may offer wine for sale at a qualifying farmers  
4 market.

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

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

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

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

33 (g) For the purposes of this subsection:

34 (i) "Qualifying farmers market" means an entity that sponsors a  
35 regular assembly of vendors at a defined location for the purpose of  
36 promoting the sale of agricultural products grown or produced in this  
37 state directly to the consumer under conditions that meet the following  
38 minimum requirements:

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

3 (B) The total combined gross annual sales of vendors who are  
4 farmers exceeds the total combined gross annual sales of vendors who  
5 are processors or resellers;

6 (C) The total combined gross annual sales of vendors who are  
7 farmers, processors, or resellers exceeds the total combined gross  
8 annual sales of vendors who are not farmers, processors, or resellers;

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

11 (E) No vendor is a franchisee.

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

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

19 (iv) "Reseller" means a natural person who buys agricultural  
20 products from a farmer and resells the products directly to the  
21 consumer.

22 (6) Wine produced in Washington state by a domestic winery licensee  
23 may be shipped out-of-state for the purpose of making it into sparkling  
24 wine and then returned to such licensee for resale. Such wine shall be  
25 deemed wine manufactured in the state of Washington for the purposes of  
26 RCW 66.24.206, and shall not require a special license.

27 **Sec. 2.** RCW 66.24.240 and 2011 c 195 s 6 and 2011 c 119 s 212 are  
28 each reenacted and amended to read as follows:

29 (1) There shall be a license for domestic breweries; fee to be two  
30 thousand dollars for production of sixty thousand barrels or more of  
31 malt liquor per year.

32 (2) Any domestic brewery, except for a brand owner of malt  
33 beverages under RCW 66.04.010(7), licensed under this section may also  
34 act as a distributor and/or retailer for beer of its own production.  
35 Any domestic brewery operating as a distributor and/or retailer under  
36 this subsection shall comply with the applicable laws and rules  
37 relating to distributors and/or retailers. A domestic brewery holding

1 a spirits, beer, and wine restaurant license may sell beer of its own  
2 production or wine for consumption on or off((-)) the premises  
3 ((consumption)) from its restaurant premises in kegs or in ((a))  
4 sanitary containers meeting the applicable requirements of federal law  
5 brought to the premises by the purchaser or furnished by the licensee  
6 or manufacturer and filled at the tap by the licensee at the time of  
7 sale.

8 (3) Any domestic brewery licensed under this section may also sell  
9 beer produced by another domestic brewery or a microbrewery for on and  
10 off-premises consumption from its premises as long as the other  
11 breweries' brands do not exceed twenty-five percent of the domestic  
12 brewery's on-tap offering of its own brands.

13 (4) A domestic brewery may hold up to two retail licenses to  
14 operate an on or off-premise tavern, beer and/or wine restaurant, or  
15 spirits, beer, and wine restaurant. This retail license is separate  
16 from the brewery license. A brewery that holds a tavern license, a  
17 spirits, beer, and wine restaurant license, or a beer and/or wine  
18 restaurant license shall hold the same privileges and endorsements as  
19 permitted under RCW 66.24.320, 66.24.330, and 66.24.420.

20 (5) Any domestic brewery licensed under this section may contract-  
21 produce beer for a brand owner of malt beverages defined under RCW  
22 66.04.010(7), and this contract-production is not a sale for the  
23 purposes of RCW 66.28.170 and 66.28.180.

24 (6)(a) A domestic brewery licensed under this section and qualified  
25 for a reduced rate of taxation pursuant to RCW 66.24.290(3)(b) may  
26 apply to the board for an endorsement to sell bottled beer of its own  
27 production at retail for off-premises consumption at a qualifying  
28 farmers market. The annual fee for this endorsement is seventy-five  
29 dollars.

30 (b) For each month during which a domestic brewery will sell beer  
31 at a qualifying farmers market, the domestic brewery must provide the  
32 board or its designee a list of the dates, times, and locations at  
33 which bottled beer may be offered for sale. This list must be received  
34 by the board before the domestic brewery may offer beer for sale at a  
35 qualifying farmers market.

36 (c) The beer sold at qualifying farmers markets must be produced in  
37 Washington.

1 (d) Each approved location in a qualifying farmers market is deemed  
2 to be part of the domestic brewery license for the purpose of this  
3 title. The approved locations under an endorsement granted under this  
4 subsection do not include the tasting or sampling privilege of a  
5 domestic brewery. The domestic brewery may not store beer at a farmers  
6 market beyond the hours that the domestic brewery offers bottled beer  
7 for sale. The domestic brewery may not act as a distributor from a  
8 farmers market location.

9 (e) Before a domestic brewery may sell bottled beer at a qualifying  
10 farmers market, the farmers market must apply to the board for  
11 authorization for any domestic brewery with an endorsement approved  
12 under this subsection to sell bottled beer at retail at the farmers  
13 market. This application shall include, at a minimum: (i) A map of  
14 the farmers market showing all booths, stalls, or other designated  
15 locations at which an approved domestic brewery may sell bottled beer;  
16 and (ii) the name and contact information for the on-site market  
17 managers who may be contacted by the board or its designee to verify  
18 the locations at which bottled beer may be sold. Before authorizing a  
19 qualifying farmers market to allow an approved domestic brewery to sell  
20 bottled beer at retail at its farmers market location, the board shall  
21 notify the persons or entities of such application for authorization  
22 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
23 this subsection (6)(e) may be withdrawn by the board for any violation  
24 of this title or any rules adopted under this title.

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

28 (g) For the purposes of this subsection:

29 (i) "Qualifying farmers market" means an entity that sponsors a  
30 regular assembly of vendors at a defined location for the purpose of  
31 promoting the sale of agricultural products grown or produced in this  
32 state directly to the consumer under conditions that meet the following  
33 minimum requirements:

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

36 (B) The total combined gross annual sales of vendors who are  
37 farmers exceeds the total combined gross annual sales of vendors who  
38 are processors or resellers;

1 (C) The total combined gross annual sales of vendors who are  
2 farmers, processors, or resellers exceeds the total combined gross  
3 annual sales of vendors who are not farmers, processors, or resellers;

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

6 (E) No vendor is a franchisee.

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

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

14 (iv) "Reseller" means a natural person who buys agricultural  
15 products from a farmer and resells the products directly to the  
16 consumer.

17 **Sec. 3.** RCW 66.24.244 and 2013 c 238 s 3 are each amended to read  
18 as follows:

19 (1) There shall be a license for microbreweries; fee to be one  
20 hundred dollars for production of less than sixty thousand barrels of  
21 malt liquor, including strong beer, per year.

22 (2) Any microbrewery licensed under this section may also act as a  
23 distributor and/or retailer for beer and strong beer of its own  
24 production. Strong beer may not be sold at a farmers market or under  
25 any endorsement which may authorize microbreweries to sell beer at  
26 farmers markets. Any microbrewery operating as a distributor and/or  
27 retailer under this subsection shall comply with the applicable laws  
28 and rules relating to distributors and/or retailers, except that a  
29 microbrewery operating as a distributor may maintain a warehouse off  
30 the premises of the microbrewery for the distribution of beer provided  
31 that (a) the warehouse has been approved by the board under RCW  
32 66.24.010 and (b) the number of warehouses off the premises of the  
33 microbrewery does not exceed one. A microbrewery holding a spirits,  
34 beer, and wine restaurant license may sell beer of its own production  
35 or wine for (~~off-premises~~) consumption on or off the premises from  
36 its restaurant premises in kegs or in (~~a~~) sanitary containers meeting

1 the applicable requirements of federal law brought to the premises by  
2 the purchaser or furnished by the licensee or manufacturer and filled  
3 at the tap by the licensee at the time of sale.

4 (3) Any microbrewery licensed under this section may also sell beer  
5 produced by another microbrewery or a domestic brewery for on and off-  
6 premises consumption from its premises as long as the other breweries'  
7 brands do not exceed twenty-five percent of the microbrewery's on-tap  
8 offering of its own brands.

9 (4) The board may issue up to two retail licenses allowing a  
10 microbrewery to operate an on or off-premise tavern, beer and/or wine  
11 restaurant, or spirits, beer, and wine restaurant.

12 (5) A microbrewery that holds a tavern license, spirits, beer, and  
13 wine restaurant license, or a beer and/or wine restaurant license shall  
14 hold the same privileges and endorsements as permitted under RCW  
15 66.24.320, 66.24.330, and 66.24.420.

16 (6)(a) A microbrewery licensed under this section may apply to the  
17 board for an endorsement to sell bottled beer of its own production at  
18 retail for off-premises consumption at a qualifying farmers market.  
19 The annual fee for this endorsement is seventy-five dollars.

20 (b) For each month during which a microbrewery will sell beer at a  
21 qualifying farmers market, the microbrewery must provide the board or  
22 its designee a list of the dates, times, and locations at which bottled  
23 beer may be offered for sale. This list must be received by the board  
24 before the microbrewery may offer beer for sale at a qualifying farmers  
25 market.

26 (c) Any person selling or serving beer must obtain a class 12 or  
27 class 13 alcohol server permit.

28 (d) The beer sold at qualifying farmers markets must be produced in  
29 Washington.

30 (e) Each approved location in a qualifying farmers market is deemed  
31 to be part of the microbrewery license for the purpose of this title.  
32 The approved locations under an endorsement granted under this  
33 subsection (6) include tasting or sampling privileges subject to the  
34 conditions pursuant to RCW 66.24.175. The microbrewery may not store  
35 beer at a farmers market beyond the hours that the microbrewery offers  
36 bottled beer for sale. The microbrewery may not act as a distributor  
37 from a farmers market location.

1 (f) Before a microbrewery may sell bottled beer at a qualifying  
2 farmers market, the farmers market must apply to the board for  
3 authorization for any microbrewery with an endorsement approved under  
4 this subsection (6) to sell bottled beer at retail at the farmers  
5 market. This application shall include, at a minimum: (i) A map of  
6 the farmers market showing all booths, stalls, or other designated  
7 locations at which an approved microbrewery may sell bottled beer; and  
8 (ii) the name and contact information for the on-site market managers  
9 who may be contacted by the board or its designee to verify the  
10 locations at which bottled beer may be sold. Before authorizing a  
11 qualifying farmers market to allow an approved microbrewery to sell  
12 bottled beer at retail at its farmers market location, the board shall  
13 notify the persons or entities of the application for authorization  
14 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
15 this subsection (6)(f) may be withdrawn by the board for any violation  
16 of this title or any rules adopted under this title.

17 (g) The board may adopt rules establishing the application and  
18 approval process under this section and any additional rules necessary  
19 to implement this section.

20 (h) For the purposes of this subsection (6):

21 (i) "Qualifying farmers market" means an entity that sponsors a  
22 regular assembly of vendors at a defined location for the purpose of  
23 promoting the sale of agricultural products grown or produced in this  
24 state directly to the consumer under conditions that meet the following  
25 minimum requirements:

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

28 (B) The total combined gross annual sales of vendors who are  
29 farmers exceeds the total combined gross annual sales of vendors who  
30 are processors or resellers;

31 (C) The total combined gross annual sales of vendors who are  
32 farmers, processors, or resellers exceeds the total combined gross  
33 annual sales of vendors who are not farmers, processors, or resellers;

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

36 (E) No vendor is a franchisee.

37 (ii) "Farmer" means a natural person who sells, with or without

1 processing, agricultural products that he or she raises on land he or  
2 she owns or leases in this state or in another state's county that  
3 borders this state.

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

7 (iv) "Reseller" means a natural person who buys agricultural  
8 products from a farmer and resells the products directly to the  
9 consumer.

10 (7) Any microbrewery licensed under this section may  
11 contract-produce beer for another microbrewer. This contract-  
12 production is not a sale for the purposes of RCW 66.28.170 and  
13 66.28.180.

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

16 There shall be a beer and wine retailer's license that may be  
17 combined only with the on-premises licenses described in either RCW  
18 66.24.320 or 66.24.330. The combined license permits the sale of beer  
19 and wine for consumption off the premises.

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

22 (2) Beer and wine may be sold to a purchaser for consumption on or  
23 off the premises from the combined premise in kegs or in ((a)) sanitary  
24 containers meeting the applicable requirements of federal law brought  
25 to the premises by the purchaser or furnished by the licensee or  
26 manufacturer and filled at the tap by the retailer at the time of sale.

27 (3) Licensees holding this type of license also may sell malt  
28 liquor in kegs or other containers that are capable of holding four  
29 gallons or more of liquid and are registered in accordance with RCW  
30 66.28.200.

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

34 (5) The annual fee for this license shall be one hundred twenty  
35 dollars.

1       **Sec. 5.** RCW 66.24.371 and 2011 c 195 s 4 and 2011 c 19 s 204 are  
2 each reenacted and amended to read as follows:

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

13       (2) Licensees under this section may provide, free or for a charge,  
14 single-serving samples of two ounces or less to customers for the  
15 purpose of sales promotion. Sampling activities of licensees under  
16 this section are subject to RCW 66.28.305 and 66.28.040 and the cost of  
17 sampling under this section may not be borne, directly or indirectly,  
18 by any manufacturer, importer, or distributor of liquor.

19       (3) Upon approval by the board, the beer and/or wine specialty shop  
20 licensee that exceeds fifty percent beer and/or wine sales may also  
21 receive an endorsement to permit the sale of beer or wine to a  
22 purchaser in ~~((a))~~ sanitary containers meeting the applicable  
23 requirements of federal law brought to the premises by the  
24 purchaser~~((r))~~ or ~~((provided))~~ furnished by the licensee or  
25 manufacturer~~((r))~~ and ~~((fill))~~ filled at the tap by the licensee at the  
26 time of sale. If the beer and/or wine specialty shop licensee does not  
27 exceed fifty percent beer and/or wine sales, the board may waive the  
28 fifty percent beer and/or wine sale criteria if the beer and/or wine  
29 specialty shop maintains alcohol inventory that exceeds fifteen  
30 thousand dollars.

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

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

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

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

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

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

16 (6) The board may adopt rules to implement this section.

17 **Sec. 6.** RCW 66.24.400 and 2011 c 119 s 401 are each amended to  
18 read as follows:

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

1 benefit of tourists, vacationers and travelers as the board shall  
2 determine are qualified to have, and in the discretion of the board  
3 should have, a spirits, beer, and wine restaurant license under the  
4 provisions and limitations of this title.

5 (2) The board may issue an endorsement to the spirits, beer, and  
6 wine restaurant license that allows the holder of a spirits, beer, and  
7 wine restaurant license to sell bottled wine for off-premises  
8 consumption. Spirits and beer may not be sold for off-premises  
9 consumption under this section except as provided in subsection (4) of  
10 this section. The annual fee for the endorsement under this subsection  
11 is one hundred twenty dollars.

12 (3) The holder of a spirits, beer, and wine license or its manager  
13 may furnish beer, wine, or spirituous liquor to the licensee's  
14 employees free of charge as may be required for use in connection with  
15 instruction on beer, wine, or spirituous liquor. The instruction may  
16 include the history, nature, values, and characteristics of beer, wine,  
17 or spirituous liquor, the use of wine lists, and the methods of  
18 presenting, serving, storing, and handling beer, wine, and spirituous  
19 liquor. The spirits, beer, and wine restaurant licensee must use the  
20 beer, wine, or spirituous liquor it obtains under its license for the  
21 sampling as part of the instruction. The instruction must be given on  
22 the premises of the spirits, beer, and wine restaurant licensee.

23 (4) The board may issue an endorsement to the spirits, beer, and  
24 wine restaurant license that allows the holder of a spirits, beer, and  
25 wine restaurant license to sell for off-premises consumption malt  
26 liquor in kegs or other containers that are capable of holding four  
27 gallons or more of liquid and are registered in accordance with RCW  
28 66.28.200. Beer and wine may also be sold under the endorsement to a  
29 purchaser in ((a)) sanitary containers meeting the applicable  
30 requirements of federal law brought to the premises by the purchaser or  
31 furnished by the licensee or manufacturer and filled at the tap by the  
32 retailer at the time of sale. The annual fee for the endorsement under  
33 this subsection is one hundred twenty dollars.

34 **Sec. 7.** RCW 66.24.590 and 2012 c 2 s 115 are each amended to read  
35 as follows:

36 (1) There is a retailer's license to be designated as a hotel  
37 license. No license may be issued to a hotel offering rooms to its

1 guests on an hourly basis. Food service provided for room service,  
2 banquets or conferences, or restaurant operation under this license  
3 must meet the requirements of rules adopted by the board.

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

5 (a) Sell spirituous liquor, beer, and wine, by the individual  
6 glass, at retail, for consumption on the premises, including mixed  
7 drinks and cocktails compounded and mixed on the premises;

8 (b) Sell, at retail, from locked honor bars, in individual units,  
9 spirits not to exceed fifty milliliters, beer in individual units not  
10 to exceed twelve ounces, and wine in individual bottles not to exceed  
11 three hundred eighty-five milliliters, to registered guests of the  
12 hotel for consumption in guest rooms. The licensee must require proof  
13 of age from the guest renting a guest room and requesting the use of an  
14 honor bar. The guest must also execute an affidavit verifying that no  
15 one under twenty-one years of age will have access to the spirits,  
16 beer, and wine in the honor bar;

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

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

26 (e) Sell beer, including strong beer, spirits, or wine, in the  
27 manufacturer's sealed container at retail sales locations within the  
28 hotel premises;

29 (f) Sell beer or wine to a purchaser in ((a)) sanitary containers  
30 meeting the applicable requirements of federal law brought to the  
31 premises by the purchaser or furnished by the licensee or manufacturer  
32 and filled at the tap in the restaurant area by the licensee at the  
33 time of sale;

34 (g) Sell for on or off-premises consumption, including through room  
35 service and service to occupants of private residential units managed  
36 by the hotel, wine carrying a label exclusive to the hotel license  
37 holder;

1 (h) Place in guest rooms at check-in, a complimentary bottle of  
2 liquor in a manufacturer-sealed container, and make a reference to this  
3 service in promotional material.

4 (3) If all or any facilities for alcoholic beverage service and the  
5 preparation, cooking, and serving of food are operated under contract  
6 or joint venture agreement, the operator may hold a license separate  
7 from the license held by the operator of the hotel. Food and beverage  
8 inventory used in separate licensed operations at the hotel may not be  
9 shared and must be separately owned and stored by the separate  
10 licensees.

11 (4) All spirits to be sold under this license must be purchased  
12 from a spirits retailer or spirits distributor licensee of the board.

13 (5) All on-premise alcoholic beverage service must be done by an  
14 alcohol server as defined in RCW 66.20.300 and must comply with RCW  
15 66.20.310.

16 (6)(a) The hotel license allows the licensee to remove from the  
17 liquor stocks at the licensed premises, liquor for sale and service at  
18 event locations at a specified date and place not currently licensed by  
19 the board. If the event is open to the public, it must be sponsored by  
20 a society or organization as defined by RCW 66.24.375. If attendance  
21 at the event is limited to members or invited guests of the sponsoring  
22 individual, society, or organization, the requirement that the sponsor  
23 must be a society or organization as defined by RCW 66.24.375 is  
24 waived.

25 (b) The holder of this license must, if requested by the board,  
26 notify the board or its designee of the date, time, place, and location  
27 of any event. Upon request, the licensee must provide to the board all  
28 necessary or requested information concerning the society or  
29 organization that will be holding the function at which the endorsed  
30 license will be utilized.

31 (c) Licensees may cater events on a domestic winery, brewery, or  
32 distillery premises.

33 (7) The holder of this license or its manager may furnish spirits,  
34 beer, or wine to the licensee's employees who are twenty-one years of  
35 age or older free of charge as may be required for use in connection  
36 with instruction on spirits, beer, and wine. The instruction may  
37 include the history, nature, values, and characteristics of spirits,  
38 beer, or wine, the use of wine lists, and the methods of presenting,

1 serving, storing, and handling spirits, beer, or wine. The licensee  
2 must use the liquor it obtains under its license for the sampling as  
3 part of the instruction. The instruction must be given on the premises  
4 of the licensee.

5 (8) Minors may be allowed in all areas of the hotel where liquor  
6 may be consumed; however, the consumption must be incidental to the  
7 primary use of the area. These areas include, but are not limited to,  
8 tennis courts, hotel lobbies, and swimming pool areas. If an area is  
9 not a mixed use area, and is primarily used for alcohol service, the  
10 area must be designated and restricted to access by persons of lawful  
11 age to purchase liquor.

12 (9) The annual fee for this license is two thousand dollars.

13 (10) As used in this section, "hotel," "spirits," "beer," and  
14 "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

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