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HOUSE BILL 2974

State of Washington 65th Legislature 2018 Regular Session

By Representatives Young, Sawyer, Condotta, Jenkin, Kirby, and Vick Read first time 01/31/18. Referred to Committee on Commerce & Gaming.

- AN ACT Relating to authorizing spirits, beer, and wine theater 1
- 2 licensees to have one additional screen, but with no more than three
- hundred seats, at which alcohol may be served under the terms of the 3
- 4 license; and amending RCW 66.24.655.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 5
- 6 Sec. 1. RCW 66.24.655 and 2013 c 237 s 1 are each amended to 7 read as follows:

(1) There is a theater license to sell spirits, beer, including

- strong beer, or wine, or all, at retail, for consumption on theater 9 premises. Except as otherwise provided in this subsection, a spirits, 10 11 beer, and wine theater license may be issued ((only)) to theaters that have no more than one hundred twenty seats per screen and that 12
- 13 are maintained in a substantial manner as a place for preparing,
- 14 serving complete meals and providing tabletop cooking, and
- accommodations for in-theater dining. A theater that otherwise meets 15
- the requirements of this section, and that serves alcohol to 16
- 17 customers in each screen at the theater, may also have one additional
- 18 screen, but with no more than three hundred seats, at which alcohol may be served under the terms of the license. Requirements for
- 20 complete meals are the same as those adopted by the board in rules
- pursuant to chapter 34.05 RCW for a spirits, beer, 21 and wine

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- restaurant license authorized by RCW 66.24.400. The annual fee for a spirits, beer, and wine theater license is two thousand dollars.
- (2) If the theater premises is to be frequented by minors, an alcohol control plan must be submitted to the board at the time of application. The alcohol control plan must be approved by the board and be prominently posted on the premises, prior to minors being allowed.
 - (3) For the purposes of this section:

- (a) "Alcohol control plan" means a written, dated, and signed plan submitted to the board by an applicant or licensee for the entire theater premises, or rooms or areas therein, that shows where and when alcohol is permitted, where and when minors are permitted, and the control measures used to ensure that minors are not able to obtain alcohol or be exposed to environments where drinking alcohol predominates.
- (b) "Theater" means a place of business where motion pictures or other primarily nonparticipatory entertainment are shown.
- (4) The board must adopt rules regarding alcohol control plans and necessary control measures to ensure that minors are not able to obtain alcohol or be exposed to areas where drinking alcohol predominates. All alcohol control plans must include a requirement that any person involved in the serving of spirits, beer, and/or wine must have completed a mandatory alcohol server training program.
- (5)(a) A licensee that is an entity that is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended as of January 1, 2013, may enter into arrangements with a spirits, beer, or wine manufacturer, importer, or distributor for brand advertising at the theater or promotion of events held at the theater. The financial arrangements providing for the brand advertising or promotion of events may not be used as an inducement to purchase the products of the manufacturer, importer, or distributor entering into the arrangement and such arrangements may not result in the exclusion of brands or products of other companies.
- (b) The arrangements allowed under this subsection (5) are an exception to arrangements prohibited under RCW 66.28.305. The board must monitor the impacts of these arrangements. The board may conduct audits of a licensee and the affiliated business to determine compliance with this subsection (5). Audits may include, but are not limited to: Product selection at the facility; purchase patterns of the licensee; contracts with the spirits, beer, or wine manufacturer,

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- 1 importer, or distributor; and the amount allocated or used for
- 2 spirits, beer, or wine advertising by the licensee, affiliated
- 3 business, manufacturer, importer, or distributor under the
- 4 arrangements.
- 5 (6) The maximum penalties prescribed by the board in WAC
- 6 314-29-020 relating to fines and suspensions are double for
- 7 violations involving minors or the failure to follow the alcohol
- 8 control plan with respect to theaters licensed under this section.

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