H-2594.1

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**HOUSE BILL 2363**

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**State of Washington 68th Legislature 2024 Regular Session**

**By** Representatives Chambers, Walen, Robertson, Morgan, and Reed

AN ACT Relating to authorizing off-site and pop-up retail sales, service, and consumption of alcohol; and adding a new section to chapter 66.24 RCW.

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

NEW SECTION. **Sec.**  A new section is added to chapter 66.24 RCW to read as follows:

(1) There is a license endorsement at an annual cost of $50 available to:

(a) Domestic breweries licensed under RCW 66.24.240 and microbreweries licensed under RCW 66.24.244 to authorize off-site and pop-up retail sales, service, and consumption of beer for on-premises and off-premises consumption, under the terms of the domestic brewery license or microbrewery license, as applicable, subject to the requirements in this section; and

(b) Domestic wineries licensed under RCW 66.24.170 to authorize off-site and pop-up retail sales, service, and consumption of wine for on-premises and off-premises consumption, under the terms of the domestic winery license, subject to the requirements of this section.

(2) A domestic brewery, microbrewery, or domestic winery with a license endorsement under RCW 66.24.246 may engage in the privilege authorized under the separate endorsement in RCW 66.24.246 from an off-site or pop-up location authorized under this section.

(3) A domestic brewery, microbrewery, or domestic winery with an endorsement under this section:

(a) Must notify the board at least 14 days before operating at any off-site or pop-up location and may not operate at more than one off-site or pop-up location at a single time;

(b) Must operate an off-site or pop-up location only:

(i) Outdoors in an area zoned for a use compatible with the operation of a food truck; or

(ii) Indoors within a building;

(c) Must ensure an enclosed boundary is established with ropes, a fence, or by other physical barrier around the designated area in which off-site or pop-up retail sales, service, and consumption is offered and that the sale, service, and consumption of beer and wine authorized in this section is confined to the designated area only;

(d) May sell beer or wine to adults age 21 or over for on-premises consumption, in the designated area, under the terms of the domestic brewery license, microbrewery license, or domestic winery license, as applicable, or under the endorsement in RCW 66.24.246 for licensees holding that endorsement. A customer may remove any portion of bottled wine sold by a domestic winery for on-premises consumption in the designated area that is recorked or recapped in its original container;

(e) May sell beer or wine from the designated area to adults age 21 or over for off-premises consumption under the terms of the domestic brewery license, microbrewery license, or domestic winery license, as applicable; and

(f) Must ensure any person selling or serving beer or wine for on-premises consumption holds a class 12 or class 13 alcohol server permit.

(4)(a) An endorsement issued under this section does not count toward any additional retail locations or off-site tasting rooms authorized under RCW 66.24.240, 66.24.244, or 66.24.170.

(b) Nothing in this section requires food service in conjunction with alcohol sales or service.

(5)(a) An endorsement holder shall give due consideration to the location where the licensee will conduct off-site and pop-up retail sales, service, and consumption, with respect to the proximity of churches and public institutions, as those terms are used and defined in RCW 66.24.010, and schools as used in RCW 66.24.010.

(b) Upon receiving notice as provided in subsection (3)(a) of this section of an endorsement holder's plans to operate off-site or pop-up service, sales, and consumption, the board must provide written notice, with receipt verification, of the endorsement holder's notice, to public institutions, as defined in RCW 66.24.010, that are identified by the board as appropriate to receive such notice, to churches, and to schools, any of which entities are within 500 feet of the location. If the board receives written objections within 14 days after receiving such notice, from an official representative or representatives of the entity, indicating to the board that there is an objection to the location or the operation by the endorsement holder, then the board shall proceed as follows:

(i) If the objection is from a tax-supported public elementary of secondary school or any private school under Title 28A RCW, the board shall notify the endorsement holder and the endorsement holder shall immediately cease operating at that location; or

(ii) If the objection is from a church or public institution, as defined in RCW 66.24.010, and the licensee continues to operate over the objections, then at the time of renewal of the endorsement the board may, in its discretion, deny an endorsement holder's renewal of the endorsement after first providing the endorsement holder an opportunity for a hearing where board representatives must present and defend the board's initial decision to deny renewal of an endorsement under this section, and representatives of the church or public institution present their objections.

(c) Upon receiving notice as provided in subsection (3)(a) of this section of an endorsement holder's plans to operate off-site or pop-up service, sales, and consumption, the board must send written notification to the chief executive officer of the incorporated city or town in which the location is situated, or to the county legislative authority if the location is outside the boundaries of incorporated cities or towns. The incorporated city or town or county legislative authority may submit written objections within 14 days after the date of transmittal of the notice, against the endorsement holder or against the location for which the operations will occur or are occurring. If an endorsement holder continues operating at a location for which written objections have been filed under this subsection, the board may in its discretion deny an endorsement holder's renewal of the endorsement under this section after first providing the endorsement holder an opportunity for a hearing where board representatives must present and defend the board's initial decision to deny renewal of an endorsement under this section and a representative of the city, town, or county, presents their objections.

(6) For purposes of this section, "off-site and pop-up retail sales, service, and consumption" means the retail sale, service, and consumption of beer or wine at a location off of the licensed production facility for which the domestic brewery, microbrewery, or domestic winery has permission or legal authority to possess and use for the sale, service, and consumption of beer or wine.

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