
SUBSTITUTE HOUSE BILL 2043

State of Washington

68th Legislature

2024 Regular Session

By House Regulated Substances & Gaming (originally sponsored by Representatives Corry, Caldier, and Reeves)

READ FIRST TIME 01/19/24.

1 AN ACT Relating to removing the requirement that a theater may
2 have no more than 120 seats per screen to qualify for a spirits,
3 beer, and wine theater license; and amending RCW 66.24.655.

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

5 **Sec. 1.** RCW 66.24.655 and 2021 c 6 s 17 are each amended to read
6 as follows:

7 (1) ~~((a))~~ There is a theater license to sell spirits, beer,
8 including strong beer, or wine, or all, at retail, for consumption on
9 theater premises. A spirits, beer, and wine theater license may be
10 issued only to theaters that ~~((have no more than one hundred twenty
11 seats per screen and that))~~ are maintained in a substantial manner as
12 a place for preparing, cooking, and serving complete meals and
13 providing tabletop accommodations for in-theater dining and that
14 either have no more than 120 seats per screen or provide scheduled
15 showings of motion pictures with open motion picture captioning so
16 that at least 10 percent of all showings of a motion picture in a 30-
17 day period have open motion picture captioning, for any motion
18 picture that is produced and distributed with open motion picture
19 captioning and shown by the theater 10 or more times in a 30-day
20 period. Requirements for complete meals are the same as those adopted
21 by the board in rules pursuant to chapter 34.05 RCW for a spirits,

1 beer, and wine restaurant license authorized by RCW 66.24.400. The
2 annual fee for a spirits, beer, and wine theater license is ((two
3 thousand dollars)) \$2,000.

4 ~~((b) The annual fee in (a) of this subsection is waived during
5 the 12-month period beginning with the second calendar month after
6 February 28, 2021, for:~~

7 ~~(i) Licenses that expire during the 12-month waiver period under
8 this subsection (1)(b); and~~

9 ~~(ii) Licenses issued to persons previously licensed under this
10 section at any time during the 12-month period prior to the 12-month
11 waiver period under this subsection (1)(b).~~

12 ~~(c) The waiver in (b) of this subsection does not apply to any
13 licensee that:~~

14 ~~(i) Had their license suspended by the board for health and
15 safety violations of state COVID-19 guidelines; or~~

16 ~~(ii) Received an order of immediate restraint or citation from
17 the department of labor and industries for allowing an employee to
18 perform work where business activity was prohibited in violation of
19 an emergency proclamation of the governor under RCW 43.06.220.~~

20 ~~(d) Upon request of the department of revenue, the board and the
21 department of labor and industries must both provide a list of
22 persons that they have determined to be ineligible for a fee waiver
23 under (b) of this subsection for the reasons described in (c) of this
24 subsection. Unless otherwise agreed, any list must be received by the
25 department of revenue no later than 15 calendar days after the
26 request is made.))~~

27 (2) If the theater premises is to be frequented by minors, an
28 alcohol control plan must be submitted to the board at the time of
29 application. The alcohol control plan must be approved by the board
30 and be prominently posted on the premises, prior to minors being
31 allowed.

32 (3) For the purposes of this section:

33 (a) "Alcohol control plan" means a written, dated, and signed
34 plan submitted to the board by an applicant or licensee for the
35 entire theater premises, or rooms or areas therein, that shows where
36 and when alcohol is permitted, where and when minors are permitted,
37 and the control measures used to ensure that minors are not able to
38 obtain alcohol or be exposed to environments where drinking alcohol
39 predominates.

1 (b) "Theater" means a place of business where motion pictures or
2 other primarily nonparticipatory entertainment are shown.

3 (4) The board must adopt rules regarding alcohol control plans
4 and necessary control measures to ensure that minors are not able to
5 obtain alcohol or be exposed to areas where drinking alcohol
6 predominates. All alcohol control plans must include a requirement
7 that any person involved in the serving of spirits, beer, and/or wine
8 must have completed a mandatory alcohol server training program.

9 (5)(a) A licensee that is an entity that is exempt from taxation
10 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue
11 code of 1986, as amended as of January 1, 2013, may enter into
12 arrangements with a spirits, beer, or wine manufacturer, importer, or
13 distributor for brand advertising at the theater or promotion of
14 events held at the theater. The financial arrangements providing for
15 the brand advertising or promotion of events may not be used as an
16 inducement to purchase the products of the manufacturer, importer, or
17 distributor entering into the arrangement and such arrangements may
18 not result in the exclusion of brands or products of other companies.

19 (b) The arrangements allowed under this subsection (5) are an
20 exception to arrangements prohibited under RCW 66.28.305. The board
21 must monitor the impacts of these arrangements. The board may conduct
22 audits of a licensee and the affiliated business to determine
23 compliance with this subsection (5). Audits may include, but are not
24 limited to: Product selection at the facility; purchase patterns of
25 the licensee; contracts with the spirits, beer, or wine manufacturer,
26 importer, or distributor; and the amount allocated or used for
27 spirits, beer, or wine advertising by the licensee, affiliated
28 business, manufacturer, importer, or distributor under the
29 arrangements.

30 (6) The maximum penalties prescribed by the board in WAC
31 314-29-020 relating to fines and suspensions are double for
32 violations involving minors or the failure to follow the alcohol
33 control plan with respect to theaters licensed under this section.

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