
HOUSE BILL 2163

State of Washington

68th Legislature

2024 Regular Session

By Representative Steele

Prefiled 01/05/24. Read first time 01/08/24. Referred to Committee on Regulated Substances & Gaming.

1 AN ACT Relating to advertising by liquor licensees who currently
2 have privileges to conduct tastings or provide free or complimentary
3 amounts of beer, wine, spirits, or other liquor; amending RCW
4 66.20.400, 66.24.175, 66.24.363, and 66.24.590; and adding a new
5 section to chapter 66.28 RCW.

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

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

9 (1) A licensee under chapter 66.24 RCW or a permit holder under
10 chapter 66.20 RCW identified in subsection (3) of this section who is
11 authorized by this title or board rule to offer free tastings or
12 samples of beer, wine, spirits, or other liquor without charge to the
13 public, or to provide complimentary beer, wine, spirits, or other
14 liquor to customers or guests, may advertise to the public that, as
15 applicable, the licensee offers tastings or sampling for free without
16 charge, or provides complimentary beer, wine, spirits, or other
17 liquor to customers or guests.

18 (2) Advertising authorized in this section may not be targeted to
19 or appeal principally to youth.

20 (3) This section is intended to apply to the following licensees:

21 (a) Domestic breweries licensed under RCW 66.24.240;

- 1 (b) Microbreweries licensed under RCW 66.24.244;
- 2 (c) Domestic wineries licensed under RCW 66.24.170;
- 3 (d) Distilleries and craft distilleries licensed under RCW
4 66.24.140 or 66.24.145 and their tasting rooms licensed under RCW
5 66.24.146;
- 6 (e) Grocery stores licensed under RCW 66.24.360 who hold a
7 tasting endorsement issued under RCW 66.24.363;
- 8 (f) Beer and/or wine specialty shops licensed under RCW
9 66.24.371;
- 10 (g) Spirits retailers licensed under RCW 66.24.630 who
11 participate in the responsible vendor program and are authorized to
12 conduct sampling under RCW 66.24.670;
- 13 (h) Combination spirits, beer, and wine license holders licensed
14 under RCW 66.24.035 who hold a grocery store tasting endorsement
15 under RCW 66.24.363 or who participate in the responsible vendor
16 program;
- 17 (i) All liquor licensees authorized to serve beer on tap or wine
18 for consumption on the premises and who, pursuant to RCW 66.24.675,
19 may provide samples of beer or wine free of charge for consumption on
20 the premises;
- 21 (j) Interstate common carriers licensed under RCW 66.24.395;
- 22 (k) Hotels licensed under RCW 66.24.590;
- 23 (l) Motels licensed under RCW 66.24.540;
- 24 (m) Day spas with a permit under RCW 66.20.400;
- 25 (n) Bed and breakfast lodging facilities with a permit under RCW
26 66.20.010(11); and
- 27 (o) Short-term rental operators with a permit under RCW
28 66.20.010(18).
- 29 (4) Nothing in this section is intended to:
- 30 (a) Affect or alter any time, place, or manner restriction that
31 applies generally to all liquor advertising and that is imposed by
32 the board in rule;
- 33 (b) Authorize a liquor licensee or liquor permit holder to offer,
34 serve, or provide a type or amount of beer, wine, spirits, or other
35 liquor for free without charge that the licensee is not authorized on
36 the effective date of this section to offer, serve, or provide to a
37 person for free without charge;
- 38 (c) Restrict any advertising that is expressly authorized in this
39 title as it existed on January 1, 2024; or

1 (d) Expand or alter any license privilege or restriction related
2 to conducting tastings or offering or providing free samples or
3 complimentary beer, wine, spirits, or other liquor, except to
4 authorize additional advertising by a licensee of a privilege that
5 the licensee currently holds, as provided in subsection (1) of this
6 section.

7 **Sec. 2.** RCW 66.20.400 and 2014 c 199 s 1 are each amended to
8 read as follows:

9 (1) There shall be a permit known as a day spa permit to allow
10 the holder to offer or supply, without charge, wine or beer by the
11 individual glass to a customer for consumption on the premises. The
12 customer must be at least (~~twenty-one~~) 21 years of age and may only
13 be offered wine or beer if the services he or she will be receiving
14 will last more than one hour. Wine or beer served or consumed shall
15 be purchased from a Washington state licensed retailer. A customer
16 may consume no more than one six ounce glass of wine or one
17 (~~twelve~~) 12 ounce glass of beer per day under this permit. Day spas
18 with a day spa permit may not (~~advertise the service of~~
19 ~~complimentary wine or beer and may not~~) sell wine or beer in any
20 manner. Any employee involved in the service of wine or beer must
21 complete a board-approved limited alcohol server training program.

22 (2) For the purposes of this section, "day spa" means a business
23 that offers at least three of the following four service categories:

- 24 (a) Hair care;
- 25 (b) Skin care;
- 26 (c) Nail care; and
- 27 (d) Body care, such as massages, wraps, and waxing.

28 Day spas must provide separate service areas of the day spa for
29 at least three of the service categories offered.

30 (3) The annual fee for this permit is (~~one hundred twenty-five~~
31 ~~dollars~~) \$125.

32 **Sec. 3.** RCW 66.24.175 and 2014 c 105 s 2 are each amended to
33 read as follows:

34 (1) A qualifying farmers market authorized to allow wineries to
35 sell bottled wine at retail under RCW 66.24.170 or microbreweries to
36 sell bottled beer at retail under RCW 66.24.244, or both, may apply
37 to the (~~liquor control~~) board for an endorsement to allow sampling
38 of wine or beer or both. A winery or microbrewery offering samples

1 under this section must have an endorsement from the board to sell
2 wine or beer, as the case may be, of its own production at a
3 qualifying farmers market under RCW 66.24.170 or 66.24.244,
4 respectively.

5 (2) Samples may be offered only under the following conditions:

6 (a) No more than three wineries or microbreweries combined may
7 offer samples at a qualifying farmers market per day.

8 (b) Samples must be two ounces or less. A winery or microbrewery
9 may provide a maximum of two ounces of wine or beer to a customer per
10 day.

11 ~~((A winery or microbrewery may advertise that it offers
12 samples only at its designated booth, stall, or other designated
13 location at the farmers market.~~

14 ~~(d))~~ Customers must remain at the designated booth, stall, or
15 other designated location while sampling beer or wine.

16 ~~((e))~~ (d) Winery and microbrewery licensees and employees who
17 are involved in sampling activities under this section must hold a
18 class 12 or class 13 alcohol server permit.

19 ~~((f))~~ (e) A winery or microbrewery must have food available for
20 customers to consume while sampling beer or wine, or must be adjacent
21 to a vendor offering prepared food.

22 (3) The board may establish additional requirements to ensure
23 that persons under ~~((twenty-one))~~ 21 years of age and apparently
24 intoxicated persons may not possess or consume alcohol under the
25 authority granted in this section.

26 (4) The board may prohibit sampling at a farmers market that is
27 within the boundaries of an alcohol impact area recognized by
28 resolution of the board if the board finds that the sampling
29 activities at the farmers market have an adverse effect on the
30 reduction of chronic public inebriation in the area.

31 (5) If a winery or microbrewery is found to have committed a
32 public safety violation in conjunction with tasting activities, the
33 board may suspend the licensee's farmers market endorsement and not
34 reissue the endorsement for up to two years from the date of the
35 violation. If mitigating circumstances exist, the board may offer a
36 monetary penalty in lieu of suspension during a settlement
37 conference.

38 (6) For the purposes of this section, a "qualifying farmers
39 market" has the same meaning as defined in RCW 66.24.170.

1 **Sec. 4.** RCW 66.24.363 and 2017 c 96 s 5 are each amended to read
2 as follows:

3 (1) A grocery store licensed under RCW 66.24.360 may apply for an
4 endorsement to offer beer and wine tasting under this section.

5 (2) To be issued an endorsement, a licensee must meet the
6 following criteria:

7 (a) The licensee operates a fully enclosed retail area
8 encompassing at least (~~ten thousand~~) 10,000 square feet of fully
9 enclosed retail space within a single structure, including storerooms
10 and other interior auxiliary areas but excluding covered or fenced
11 exterior areas, whether or not attached to the structure, except that
12 the board may issue an endorsement to a licensee with a retail area
13 encompassing less than (~~ten thousand~~) 10,000 square feet if the
14 board determines that no licensee in the community the licensee
15 serves meets the square footage requirement and the licensee meets
16 operational requirements established by the board by rule; and

17 (b) The licensee has not had more than one public safety
18 violation within the past two years.

19 (3) A tasting must be conducted under the following conditions:

20 (a) Each sample must be two ounces or less, up to a total of four
21 ounces, per customer during any one visit to the premises;

22 (b) No more than one sample of the same product offering of beer
23 or wine may be provided to a customer during any one visit to the
24 premises;

25 (c) The licensee must have food available for the tasting
26 participants;

27 (d) Customers must remain in the service area while consuming
28 samples; and

29 (e) The service area and facilities must be located within the
30 licensee's fully enclosed retail area and must be of a size and
31 design such that the licensee can observe and control persons in the
32 area to ensure that persons under (~~twenty-one~~) 21 years of age and
33 apparently intoxicated persons cannot possess or consume alcohol.

34 (4) Employees of licensees whose duties include serving during
35 tasting activities under this section must hold a class 12 alcohol
36 server permit.

37 (5) Tasting activities under this section are subject to RCW
38 66.28.305 and 66.28.040 and the cost of sampling may not be borne,
39 directly or indirectly, by any liquor manufacturer, importer, or
40 distributor.

1 (6) (~~A licensee may advertise a tasting event only within the~~
2 ~~store, on a store website, in store newsletters and flyers, and via~~
3 ~~email and mail to customers who have requested notice of events.~~
4 ~~Advertising under this subsection may not be targeted to or appeal~~
5 ~~principally to youth.~~

6 ~~(7))~~ (a) If a licensee is found to have committed a public safety
7 violation in conjunction with tasting activities, the board may
8 suspend the licensee's tasting endorsement and not reissue the
9 endorsement for up to two years from the date of the violation. If
10 mitigating circumstances exist, the board may offer a monetary
11 penalty in lieu of suspension during a settlement conference.

12 (b) The board may revoke an endorsement granted to a licensee
13 that is located within the boundaries of an alcohol impact area
14 recognized by resolution of the board if the board finds that the
15 tasting activities by the licensee are having an adverse effect on
16 the reduction of chronic public inebriation in the area.

17 (c) RCW 66.08.150 applies to the suspension or revocation of an
18 endorsement.

19 ~~((8))~~ (7) The board may establish additional requirements under
20 this section to assure that persons under ~~((twenty-one))~~ 21 years of
21 age and apparently intoxicated persons cannot possess or consume
22 alcohol.

23 ~~((9))~~ (8) The annual fee for the endorsement is ~~((two hundred~~
24 ~~dollars))~~ \$200. The board shall review the fee annually and may
25 increase the fee by rule to a level sufficient to defray the cost of
26 administration and enforcement of the endorsement, except that the
27 board may not increase the fee by more than ~~((ten))~~ 10 percent
28 annually.

29 ~~((10))~~ (9) The board must adopt rules to implement this
30 section.

31 ~~((11))~~ (10) An endorsement issued pursuant to this section may
32 be issued to a qualified combination spirits, beer, and wine licensee
33 in accordance with RCW 66.24.035.

34 **Sec. 5.** RCW 66.24.590 and 2021 c 6 s 14 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
38 guests on an hourly basis. Food service provided for room service,

1 banquets or conferences, or restaurant operation under this license
2 must meet the requirements of rules adopted by the board.

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

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

7 (b) Sell, at retail, from locked honor bars, in individual units,
8 spirits not to exceed (~~(fifty)~~) 50 milliliters, beer in individual
9 units not to exceed (~~(twelve)~~) 12 ounces, and wine in individual
10 bottles not to exceed (~~(three hundred eighty-five)~~) 385 milliliters,
11 to registered guests of the hotel for consumption in guest rooms. The
12 licensee must require proof of age from the guest renting a guest
13 room and requesting the use of an honor bar. The guest must also
14 execute an affidavit verifying that no one under (~~(twenty-one)~~) 21
15 years of age will have access to the spirits, beer, and wine in the
16 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 to a purchaser in a sanitary container brought to
30 the premises by the purchaser or furnished by the licensee and filled
31 at the tap in the restaurant area by the licensee at the time of
32 sale;

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

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

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

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

10 (5) All on-premises alcoholic beverage service must be done by an
11 alcohol server as defined in RCW 66.20.300 and must comply with RCW
12 66.20.310.

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

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

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

30 (7) The holder of this license or its manager may furnish
31 spirits, beer, or wine to the licensee's employees who are (~~twenty-~~
32 ~~one~~) 21 years of age or older free of charge as may be required for
33 use in connection with instruction on spirits, beer, and wine. The
34 instruction may include the history, nature, values, and
35 characteristics of spirits, beer, or wine, the use of wine lists, and
36 the methods of presenting, serving, storing, and handling spirits,
37 beer, or wine. The licensee must use the liquor it obtains under its
38 license for the sampling as part of the instruction. The instruction
39 must be given on the premises of the licensee.

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

8 (9) ~~((a))~~ The annual fee for this license is ~~((two thousand~~
9 ~~dollars))~~ \$2,000.

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

13 ~~(i) Licenses that expire during the 12-month waiver period under~~
14 ~~this subsection (9) (b); and~~

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

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

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

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

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

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

--- END ---