

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 6655**

Chapter 160, Laws of 2004

58th Legislature  
2004 Regular Session

BEER AND WINE REPRESENTATIVES

EFFECTIVE DATE: 1/1/05

Passed by the Senate March 9, 2004  
YEAS 45 NAYS 0

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Passed by the House March 4, 2004  
YEAS 96 NAYS 0

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

CERTIFICATE

I, Milton H. Doumit, Jr., Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6655** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MILTON H. DOUMIT JR.

\_\_\_\_\_  
**Secretary**

Approved March 26, 2004.

FILED

March 26, 2004 - 3:31 p.m.

GARY F. LOCKE

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**Governor of the State of Washington**

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 6655**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2004 Regular Session

**State of Washington                      58th Legislature                      2004 Regular Session**

**By** Senate Committee on Commerce & Trade (originally sponsored by  
Senators Hewitt, Keiser and Rasmussen)

READ FIRST TIME 02/09/04.

1            AN ACT Relating to certificates of approval for authorized  
2 representatives of beer and wine manufacturers and distributors;  
3 amending RCW 66.04.010, 66.24.200, 66.24.203, 66.24.206, 66.24.230,  
4 66.24.250, 66.24.261, 66.24.270, 66.28.010, 66.28.030, 66.28.040,  
5 66.28.042, 66.28.043, 66.28.150, 66.28.155, 66.28.160, 66.28.170,  
6 66.28.180, and 19.126.020; and providing an effective date.

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

8            **Sec. 1.** RCW 66.04.010 and 2000 c 142 s 1 are each amended to read  
9 as follows:

10            In this title, unless the context otherwise requires:

11            (1) "Alcohol" is that substance known as ethyl alcohol, hydrated  
12 oxide of ethyl, or spirit of wine, which is commonly produced by the  
13 fermentation or distillation of grain, starch, molasses, or sugar, or  
14 other substances including all dilutions and mixtures of this  
15 substance. The term "alcohol" does not include alcohol in the  
16 possession of a manufacturer or distiller of alcohol fuel, as described  
17 in RCW 66.12.130, which is intended to be denatured and used as a fuel  
18 for use in motor vehicles, farm implements, and machines or implements  
19 of husbandry.

1 (2) "Authorized representative" means a person who:

2 (a) Is required to have a federal basic permit issued pursuant to  
3 the federal alcohol administration act, 27 U.S.C. Sec. 204;

4 (b) Has its business located in the United States outside of the  
5 state of Washington;

6 (c) Acquires ownership of beer or wine for transportation into and  
7 resale in the state of Washington; and which beer or wine is produced  
8 anywhere outside Washington by a brewery or winery which does not hold  
9 a certificate of approval issued by the board; and

10 (d) Is appointed by the brewery or winery referenced in (c) of this  
11 subsection as its exclusive authorized representative for marketing and  
12 selling its products within the United States in accordance with a  
13 written agreement between the authorized representative and such  
14 brewery or winery pursuant to this title. The board may waive the  
15 requirement for the written agreement of exclusivity in situations  
16 consistent with the normal marketing practices of certain products,  
17 such as classified growths.

18 (3) "Beer" means any malt beverage or malt liquor as these terms  
19 are defined in this chapter.

20 ((+3)) (4) "Beer distributor" means a person who buys beer from a  
21 ((~~brewer or~~)) domestic brewery ((~~located either within or beyond the~~  
22 boundaries of the state)), microbrewery, beer certificate of approval  
23 holder, or beer importers, or who acquires foreign produced beer from  
24 a source outside of the ((~~state of Washington~~)) United States, for the  
25 purpose of selling the same pursuant to this title, or who represents  
26 such brewer or brewery as agent.

27 ((+4)) (5) "Beer importer" means a person or business within  
28 Washington who purchases beer from a ((~~United States brewery holding~~  
29 a)) beer certificate of approval ((+B5)) holder or who acquires  
30 foreign produced beer from a source outside of the ((~~state of~~  
31 Washington)) United States for the purpose of selling the same pursuant  
32 to this title.

33 ((+5)) (6) "Brewer" or "brewery" means any person engaged in the  
34 business of manufacturing beer and malt liquor. Brewer includes a  
35 brand owner of malt beverages who holds a brewer's notice with the  
36 federal bureau of alcohol, tobacco, and firearms at a location outside  
37 the state and whose malt beverage is contract-produced by a licensed

1 in-state brewery, and who may exercise within the state, under a  
2 domestic brewery license, only the privileges of storing, selling to  
3 licensed beer distributors, and exporting beer from the state.

4 ~~((+6))~~ (7) "Board" means the liquor control board, constituted  
5 under this title.

6 ~~((+7))~~ (8) "Club" means an organization of persons, incorporated  
7 or unincorporated, operated solely for fraternal, benevolent,  
8 educational, athletic or social purposes, and not for pecuniary gain.

9 ~~((+8))~~ (9) "Consume" includes the putting of liquor to any use,  
10 whether by drinking or otherwise.

11 ~~((+9))~~ (10) "Dentist" means a practitioner of dentistry duly and  
12 regularly licensed and engaged in the practice of his profession within  
13 the state pursuant to chapter 18.32 RCW.

14 ~~((+10))~~ (11) "Distiller" means a person engaged in the business of  
15 distilling spirits.

16 ~~((+11))~~ (12) "Domestic brewery" means a place where beer and malt  
17 liquor are manufactured or produced by a brewer within the state.

18 ~~((+12))~~ (13) "Domestic winery" means a place where wines are  
19 manufactured or produced within the state of Washington.

20 ~~((+13))~~ (14) "Druggist" means any person who holds a valid  
21 certificate and is a registered pharmacist and is duly and regularly  
22 engaged in carrying on the business of pharmaceutical chemistry  
23 pursuant to chapter 18.64 RCW.

24 ~~((+14))~~ (15) "Drug store" means a place whose principal business  
25 is, the sale of drugs, medicines and pharmaceutical preparations and  
26 maintains a regular prescription department and employs a registered  
27 pharmacist during all hours the drug store is open.

28 ~~((+15))~~ (16) "Employee" means any person employed by the board,  
29 including a vendor, as hereinafter in this section defined.

30 ~~((+16))~~ (17) "Fund" means 'liquor revolving fund.'

31 ~~((+17))~~ (18) "Hotel" means every building or other structure kept,  
32 used, maintained, advertised or held out to the public to be a place  
33 where food is served and sleeping accommodations are offered for pay to  
34 transient guests, in which twenty or more rooms are used for the  
35 sleeping accommodation of such transient guests and having one or more  
36 dining rooms where meals are served to such transient guests, such  
37 sleeping accommodations and dining rooms being conducted in the same  
38 building and buildings, in connection therewith, and such structure or

1 structures being provided, in the judgment of the board, with adequate  
2 and sanitary kitchen and dining room equipment and capacity, for  
3 preparing, cooking and serving suitable food for its guests: PROVIDED  
4 FURTHER, That in cities and towns of less than five thousand  
5 population, the board shall have authority to waive the provisions  
6 requiring twenty or more rooms.

7 ~~((+18+))~~ (19) "Importer" means a person who buys distilled spirits  
8 from a distillery outside the state of Washington and imports such  
9 spirituous liquor into the state for sale to the board or for export.

10 ~~((+19+))~~ (20) "Imprisonment" means confinement in the county jail.

11 ~~((+20+))~~ (21) "Liquor" includes the four varieties of liquor herein  
12 defined (alcohol, spirits, wine and beer), and all fermented,  
13 spirituous, vinous, or malt liquor, or combinations thereof, and mixed  
14 liquor, a part of which is fermented, spirituous, vinous or malt  
15 liquor, or otherwise intoxicating; and every liquid or solid or  
16 semisolid or other substance, patented or not, containing alcohol,  
17 spirits, wine or beer, and all drinks or drinkable liquids and all  
18 preparations or mixtures capable of human consumption, and any liquid,  
19 semisolid, solid, or other substance, which contains more than one  
20 percent of alcohol by weight shall be conclusively deemed to be  
21 intoxicating. Liquor does not include confections or food products  
22 that contain one percent or less of alcohol by weight.

23 ~~((+21+))~~ (22) "Manufacturer" means a person engaged in the  
24 preparation of liquor for sale, in any form whatsoever.

25 ~~((+22+))~~ (23) "Malt beverage" or "malt liquor" means any beverage  
26 such as beer, ale, lager beer, stout, and porter obtained by the  
27 alcoholic fermentation of an infusion or decoction of pure hops, or  
28 pure extract of hops and pure barley malt or other wholesome grain or  
29 cereal in pure water containing not more than eight percent of alcohol  
30 by weight, and not less than one-half of one percent of alcohol by  
31 volume. For the purposes of this title, any such beverage containing  
32 more than eight percent of alcohol by weight shall be referred to as  
33 "strong beer."

34 ~~((+23+))~~ (24) "Package" means any container or receptacle used for  
35 holding liquor.

36 ~~((+24+))~~ (25) "Permit" means a permit for the purchase of liquor  
37 under this title.

1        ~~((25))~~ (26) "Person" means an individual, copartnership,  
2 association, or corporation.

3        ~~((26))~~ (27) "Physician" means a medical practitioner duly and  
4 regularly licensed and engaged in the practice of his profession within  
5 the state pursuant to chapter 18.71 RCW.

6        ~~((27))~~ (28) "Prescription" means a memorandum signed by a  
7 physician and given by him to a patient for the obtaining of liquor  
8 pursuant to this title for medicinal purposes.

9        ~~((28))~~ (29) "Public place" includes streets and alleys of  
10 incorporated cities and towns; state or county or township highways or  
11 roads; buildings and grounds used for school purposes; public dance  
12 halls and grounds adjacent thereto; those parts of establishments where  
13 beer may be sold under this title, soft drink establishments, public  
14 buildings, public meeting halls, lobbies, halls and dining rooms of  
15 hotels, restaurants, theatres, stores, garages and filling stations  
16 which are open to and are generally used by the public and to which the  
17 public is permitted to have unrestricted access; railroad trains,  
18 stages, and other public conveyances of all kinds and character, and  
19 the depots and waiting rooms used in conjunction therewith which are  
20 open to unrestricted use and access by the public; publicly owned  
21 bathing beaches, parks, and/or playgrounds; and all other places of  
22 like or similar nature to which the general public has unrestricted  
23 right of access, and which are generally used by the public.

24        ~~((29))~~ (30) "Regulations" means regulations made by the board  
25 under the powers conferred by this title.

26        ~~((30))~~ (31) "Restaurant" means any establishment provided with  
27 special space and accommodations where, in consideration of payment,  
28 food, without lodgings, is habitually furnished to the public, not  
29 including drug stores and soda fountains.

30        ~~((31))~~ (32) "Sale" and "sell" include exchange, barter, and  
31 traffic; and also include the selling or supplying or distributing, by  
32 any means whatsoever, of liquor, or of any liquid known or described as  
33 beer or by any name whatever commonly used to describe malt or brewed  
34 liquor or of wine, by any person to any person; and also include a sale  
35 or selling within the state to a foreign consignee or his agent in the  
36 state. "Sale" and "sell" shall not include the giving, at no charge,  
37 of a reasonable amount of liquor by a person not licensed by the board  
38 to a person not licensed by the board, for personal use only. "Sale"

1 and "sell" also does not include a raffle authorized under RCW  
2 9.46.0315: PROVIDED, That the nonprofit organization conducting the  
3 raffle has obtained the appropriate permit from the board.

4 ~~((+32+))~~ (33) "Soda fountain" means a place especially equipped  
5 with apparatus for the purpose of dispensing soft drinks, whether mixed  
6 or otherwise.

7 ~~((+33+))~~ (34) "Spirits" means any beverage which contains alcohol  
8 obtained by distillation, including wines exceeding twenty-four percent  
9 of alcohol by volume.

10 ~~((+34+))~~ (35) "Store" means a state liquor store established under  
11 this title.

12 ~~((+35+))~~ (36) "Tavern" means any establishment with special space  
13 and accommodation for sale by the glass and for consumption on the  
14 premises, of beer, as herein defined.

15 ~~((+36+))~~ (37) "Vendor" means a person employed by the board as a  
16 store manager under this title.

17 ~~((+37+))~~ (38) "Winery" means a business conducted by any person for  
18 the manufacture of wine for sale, other than a domestic winery.

19 ~~((+38+))~~ (39) "Wine" means any alcoholic beverage obtained by  
20 fermentation of fruits (grapes, berries, apples, et cetera) or other  
21 agricultural product containing sugar, to which any saccharine  
22 substances may have been added before, during or after fermentation,  
23 and containing not more than twenty-four percent of alcohol by volume,  
24 including sweet wines fortified with wine spirits, such as port,  
25 sherry, muscatel and angelica, not exceeding twenty-four percent of  
26 alcohol by volume and not less than one-half of one percent of alcohol  
27 by volume. For purposes of this title, any beverage containing no more  
28 than fourteen percent of alcohol by volume when bottled or packaged by  
29 the manufacturer shall be referred to as "table wine," and any beverage  
30 containing alcohol in an amount more than fourteen percent by volume  
31 when bottled or packaged by the manufacturer shall be referred to as  
32 "fortified wine." However, "fortified wine" shall not include: (a)  
33 Wines that are both sealed or capped by cork closure and aged two years  
34 or more; and (b) wines that contain more than fourteen percent alcohol  
35 by volume solely as a result of the natural fermentation process and  
36 that have not been produced with the addition of wine spirits, brandy,  
37 or alcohol.

1 This subsection shall not be interpreted to require that any wine  
2 be labeled with the designation "table wine" or "fortified wine."

3 ~~((+39+))~~ (40) "Wine distributor" means a person who buys wine from  
4 a ~~((vintner or))~~ domestic winery ~~((located either within or beyond the~~  
5 ~~boundaries of the state))~~, wine certificate of approval holder, or wine  
6 importer, or who acquires foreign produced wine from a source outside  
7 of the United States, for the purpose of selling the same not in  
8 violation of this title, or who represents such vintner or winery as  
9 agent.

10 ~~((+40+))~~ (41) "Wine importer" means a person or business within  
11 Washington who purchases wine from a ~~((United States winery holding a))~~  
12 wine certificate of approval ~~((+W7+))~~ holder or who acquires foreign  
13 produced wine from a source outside of the ~~((state of Washington))~~  
14 United States for the purpose of selling the same pursuant to this  
15 title.

16 **Sec. 2.** RCW 66.24.200 and 1997 c 321 s 5 are each amended to read  
17 as follows:

18 There shall be a license for wine distributors to sell wine,  
19 purchased from licensed Washington wineries, wine certificate of  
20 approval holders ~~((+W7+))~~, licensed wine importers, or suppliers of  
21 foreign wine located outside of the ~~((state of Washington))~~ United  
22 States, to licensed wine retailers and other wine distributors and to  
23 export the same from the state; fee six hundred sixty dollars per year  
24 for each distributing unit.

25 **Sec. 3.** RCW 66.24.203 and 1997 c 321 s 6 are each amended to read  
26 as follows:

27 There shall be a license for wine importers that authorizes the  
28 licensee to import wine ~~((manufactured within the United States by))~~  
29 purchased from certificate of approval holders ~~((+W7+))~~ into the state  
30 of Washington. The licensee may also import, from suppliers located  
31 outside of the United States, wine manufactured outside the United  
32 States.

33 (1) Wine so imported may be sold to licensed wine distributors or  
34 exported from the state.

35 (2) Every person, firm, or corporation licensed as a wine importer

1 shall establish and maintain a principal office within the state at  
2 which shall be kept proper records of all wine imported into the state  
3 under this license.

4 (3) No wine importer's license shall be granted to a nonresident of  
5 the state nor to a corporation whose principal place of business is  
6 outside the state until such applicant has established a principal  
7 office and agent within the state upon which service can be made.

8 (4) As a requirement for license approval, a wine importer shall  
9 enter into a written agreement with the board to furnish on or before  
10 the twentieth day of each month, a report under oath, detailing the  
11 quantity of wine sold or delivered to each licensed wine distributor.  
12 Failure to file such reports may result in the suspension or  
13 cancellation of this license.

14 (5) Wine imported under this license must conform to the provisions  
15 of RCW 66.28.110 and have received label approval from the board. The  
16 board shall not certify wines labeled with names that may be confused  
17 with other nonalcoholic beverages whether manufactured or produced from  
18 a domestic winery or imported nor wines that fail to meet quality  
19 standards established by the board.

20 (6) The license fee shall be one hundred sixty dollars per year.

21 **Sec. 4.** RCW 66.24.206 and 1997 c 321 s 7 are each amended to read  
22 as follows:

23 (1)(a) A United States winery or manufacturer of wine(~~(τ)~~) located  
24 outside the state of Washington(~~(τ)~~) must hold a certificate of  
25 approval (~~((W7))~~) to allow sales and shipment of the certificate of  
26 approval holder's wine to licensed Washington wine distributors or  
27 importers.

28 (b) Authorized representatives must hold a certificate of approval  
29 to allow sales and shipment of United States produced wine to licensed  
30 Washington wine distributors or importers.

31 (c) Authorized representatives must also hold a certificate of  
32 approval to allow sales and shipments of foreign produced wine to  
33 licensed Washington wine distributors or importers.

34 (2) The certificate of approval shall not be granted unless and  
35 until such winery or manufacturer of wine or authorized representative  
36 shall have made a written agreement with the board to furnish to the  
37 board, on or before the twentieth day of each month, a report under

1 oath, on a form to be prescribed by the board, showing the quantity of  
2 wine sold or delivered to each licensed wine distributor or importer,  
3 during the preceding month, and shall further have agreed with the  
4 board, that such wineries (~~((or))~~), manufacturers, or authorized  
5 representatives, and all general sales corporations or agencies  
6 maintained by them, and all of their trade representatives, shall and  
7 will faithfully comply with all laws of the state of Washington  
8 pertaining to the sale of intoxicating liquors and all rules and  
9 regulations of the Washington state liquor control board. A violation  
10 of the terms of this agreement will cause the board to take action to  
11 suspend or revoke such certificate.

12 (3) The fee for the certificate of approval, issued pursuant to the  
13 provisions of this title, shall be (~~((one hundred dollars per year,~~  
14 ~~which sum shall accompany the application for such certificate))~~) from  
15 time to time established by the board at a level that is sufficient to  
16 defray the costs of administering the certificate of approval program.  
17 The fee shall be fixed by rule by the board in accordance with the  
18 provisions of the administrative procedure act, chapter 34.05 RCW.

19 **Sec. 5.** RCW 66.24.230 and 1997 c 321 s 10 are each amended to read  
20 as follows:

21 Every domestic winery, wine certificate of approval holder, wine  
22 importer, and wine distributor licensed under this title shall make  
23 monthly reports to the board pursuant to the regulations. Such  
24 domestic winery, wine certificate of approval holder, wine importer,  
25 and wine distributor shall make no sales of wine within the state of  
26 Washington except to the board, or as otherwise provided in this title.

27 **Sec. 6.** RCW 66.24.250 and 2003 c 167 s 2 are each amended to read  
28 as follows:

29 There shall be a license for beer distributors to sell beer and  
30 strong beer, purchased from licensed Washington breweries, beer  
31 certificate of approval holders (~~((B5))~~), licensed beer importers, or  
32 suppliers of foreign beer located outside of the (~~((state of~~  
33 ~~Washington))~~) United States, to licensed beer retailers and other beer  
34 distributors and to export same from the state of Washington; fee six  
35 hundred sixty dollars per year for each distributing unit.

1       **Sec. 7.** RCW 66.24.261 and 2003 c 167 s 3 are each amended to read  
2 as follows:

3       There shall be a license for beer importers that authorizes the  
4 licensee to import beer and strong beer (~~(manufactured within the~~  
5 ~~United States by)~~) purchased from beer certificate of approval holders  
6 (~~((B5))~~) into the state of Washington. The licensee may also import,  
7 from suppliers located outside of the United States, beer and strong  
8 beer manufactured outside the United States.

9       (1) Beer and strong beer so imported may be sold to licensed beer  
10 distributors or exported from the state.

11       (2) Every person, firm, or corporation licensed as a beer importer  
12 shall establish and maintain a principal office within the state at  
13 which shall be kept proper records of all beer and strong beer imported  
14 into the state under this license.

15       (3) No beer importer's license shall be granted to a nonresident of  
16 the state nor to a corporation whose principal place of business is  
17 outside the state until such applicant has established a principal  
18 office and agent within the state upon which service can be made.

19       (4) As a requirement for license approval, a beer importer shall  
20 enter into a written agreement with the board to furnish on or before  
21 the twentieth day of each month, a report under oath, detailing the  
22 quantity of beer and strong beer sold or delivered to each licensed  
23 beer distributor. Failure to file such reports may result in the  
24 suspension or cancellation of this license.

25       (5) Beer and strong beer imported under this license must conform  
26 to the provisions of RCW 66.28.120 and have received label approval  
27 from the board. The board shall not certify beer or strong beer  
28 labeled with names which may be confused with other nonalcoholic  
29 beverages whether manufactured or produced from a domestic brewery or  
30 imported nor shall it certify beer or strong beer which fails to meet  
31 quality standards established by the board.

32       (6) The license fee shall be one hundred sixty dollars per year.

33       **Sec. 8.** RCW 66.24.270 and 2003 c 167 s 4 are each amended to read  
34 as follows:

35       (1) Every person, firm or corporation, holding a license to  
36 manufacture malt liquors or strong beer within the state of Washington,  
37 shall, on or before the twentieth day of each month, furnish to the

1 Washington state liquor control board, on a form to be prescribed by  
2 the board, a statement showing the quantity of malt liquors and strong  
3 beer sold for resale during the preceding calendar month to each beer  
4 distributor within the state of Washington.

5 (2)(a) A United States brewery or manufacturer of beer or strong  
6 beer, located outside the state of Washington, must hold a certificate  
7 of approval (~~((B5))~~) to allow sales and shipment of the certificate of  
8 approval holder's beer or strong beer to licensed Washington beer  
9 distributors or importers.

10 (b) Authorized representatives must hold a certificate of approval  
11 to allow sales and shipment of United States produced beer or strong  
12 beer to licensed Washington beer distributors or importers.

13 (c) Authorized representatives must also hold a certificate of  
14 approval to allow sales and shipments of foreign produced beer or  
15 strong beer to licensed Washington beer distributors or importers.

16 (3) The certificate of approval shall not be granted unless and  
17 until such brewer or manufacturer of beer or strong beer or authorized  
18 representative shall have made a written agreement with the board to  
19 furnish to the board, on or before the twentieth day of each month, a  
20 report under oath, on a form to be prescribed by the board, showing the  
21 quantity of beer and strong beer sold or delivered to each licensed  
22 beer distributor or importer during the preceding month, and shall  
23 further have agreed with the board, that such brewer or manufacturer of  
24 beer or strong beer or authorized representative and all general sales  
25 corporations or agencies maintained by them, and all of their trade  
26 representatives, corporations, and agencies, shall and will faithfully  
27 comply with all laws of the state of Washington pertaining to the sale  
28 of intoxicating liquors and all rules and regulations of the Washington  
29 state liquor control board. A violation of the terms of this agreement  
30 will cause the board to take action to suspend or revoke such  
31 certificate.

32 (~~((3))~~) (4) The fee for the certificate of approval, issued  
33 pursuant to the provisions of this title, shall be (~~(one hundred~~  
34 ~~dollars per year, which sum shall accompany the application for such~~  
35 ~~certificate)) from time to time established by the board at a level  
36 that is sufficient to defray the costs of administering the certificate  
37 of approval program. The fee shall be fixed by rule by the board in~~

1 accordance with the provisions of the administrative procedure act,  
2 chapter 34.05 RCW.

3 **Sec. 9.** RCW 66.28.010 and 2002 c 109 s 1 are each amended to read  
4 as follows:

5 (1)(a) No manufacturer, importer, (~~(or)~~) distributor, or authorized  
6 representative, or person financially interested, directly or  
7 indirectly, in such business; whether resident or nonresident, shall  
8 have any financial interest, direct or indirect, in any licensed retail  
9 business, unless the retail business is owned by a corporation in which  
10 a manufacturer or importer has no direct stock ownership and there are  
11 no interlocking officers and directors, the retail license is held by  
12 a corporation that is not owned directly or indirectly by a  
13 manufacturer or importer, the sales of liquor are incidental to the  
14 primary activity of operating the property as a hotel, alcoholic  
15 beverages produced by the manufacturer or importer or their  
16 subsidiaries are not sold at the licensed premises, and the board  
17 reviews the ownership and proposed method of operation of all involved  
18 entities and determines that there will not be an unacceptable level of  
19 control or undue influence over the operation or the retail licensee;  
20 nor shall any manufacturer, importer, (~~(or)~~) distributor, or authorized  
21 representative own any of the property upon which such licensed persons  
22 conduct their business; nor shall any such licensed person, under any  
23 arrangement whatsoever, conduct his or her business upon property in  
24 which any manufacturer, importer, (~~(or)~~) distributor, or authorized  
25 representative has any interest unless title to that property is owned  
26 by a corporation in which a manufacturer has no direct stock ownership  
27 and there are no interlocking officers or directors, the retail license  
28 is held by a corporation that is not owned directly or indirectly by  
29 the manufacturer, the sales of liquor are incidental to the primary  
30 activity of operating the property either as a hotel or as an  
31 amphitheater offering live musical and similar live entertainment  
32 activities to the public, alcoholic beverages produced by the  
33 manufacturer or any of its subsidiaries are not sold at the licensed  
34 premises, and the board reviews the ownership and proposed method of  
35 operation of all involved entities and determines that there will not  
36 be an unacceptable level of control or undue influence over the  
37 operation of the retail licensee. Except as provided in subsection (3)

1 of this section, no manufacturer, importer, (~~or~~) distributor, or  
2 authorized representative shall advance moneys or moneys' worth to a  
3 licensed person under an arrangement, nor shall such licensed person  
4 receive, under an arrangement, an advance of moneys or moneys' worth.  
5 "Person" as used in this section only shall not include those state or  
6 federally chartered banks, state or federally chartered savings and  
7 loan associations, state or federally chartered mutual savings banks,  
8 or institutional investors which are not controlled directly or  
9 indirectly by a manufacturer, importer, (~~or~~) distributor, or  
10 authorized representative as long as the bank, savings and loan  
11 association, or institutional investor does not influence or attempt to  
12 influence the purchasing practices of the retailer with respect to  
13 alcoholic beverages. Except as otherwise provided in this section, no  
14 manufacturer, importer, (~~or~~) distributor, or authorized  
15 representative shall be eligible to receive or hold a retail license  
16 under this title, nor shall such manufacturer, importer, (~~or~~)  
17 distributor, or authorized representative sell at retail any liquor as  
18 herein defined. A corporation granted an exemption under this  
19 subsection may use debt instruments issued in connection with financing  
20 construction or operations of its facilities.

21 (b) Nothing in this section shall prohibit a licensed domestic  
22 brewery or microbrewery from being licensed as a retailer pursuant to  
23 chapter 66.24 RCW for the purpose of selling beer or wine at retail on  
24 the brewery premises and nothing in this section shall prohibit a  
25 domestic winery from being licensed as a retailer pursuant to chapter  
26 66.24 RCW for the purpose of selling beer or wine at retail on the  
27 winery premises. Such beer and wine so sold at retail shall be subject  
28 to the taxes imposed by RCW 66.24.290 and 66.24.210 and to reporting  
29 and bonding requirements as prescribed by regulations adopted by the  
30 board pursuant to chapter 34.05 RCW, and beer and wine that is not  
31 produced by the brewery or winery shall be purchased from a licensed  
32 beer or wine distributor.

33 (c) Nothing in this section shall prohibit a licensed distiller,  
34 domestic brewery, microbrewery, domestic winery, or a lessee of a  
35 licensed domestic brewer, microbrewery, or domestic winery, from being  
36 licensed as a spirits, beer, and wine restaurant pursuant to chapter  
37 66.24 RCW for the purpose of selling liquor at a spirits, beer, and  
38 wine restaurant premises on the property on which the primary

1 manufacturing facility of the licensed distiller, domestic brewer,  
2 microbrewery, or domestic winery is located or on contiguous property  
3 owned or leased by the licensed distiller, domestic brewer,  
4 microbrewery, or domestic winery as prescribed by rules adopted by the  
5 board pursuant to chapter 34.05 RCW.

6 (2) Financial interest, direct or indirect, as used in this  
7 section, shall include any interest, whether by stock ownership,  
8 mortgage, lien, or through interlocking directors, or otherwise.  
9 Pursuant to rules promulgated by the board in accordance with chapter  
10 34.05 RCW manufacturers, distributors, and importers may perform, and  
11 retailers may accept the service of building, rotating and restocking  
12 case displays and stock room inventories; rotating and rearranging can  
13 and bottle displays of their own products; provide point of sale  
14 material and brand signs; price case goods of their own brands; and  
15 perform such similar normal business services as the board may by  
16 regulation prescribe.

17 (3)(a) This section does not prohibit a manufacturer, importer, or  
18 distributor from providing services to a special occasion licensee for:  
19 (i) Installation of draft beer dispensing equipment or advertising,  
20 (ii) advertising, pouring, or dispensing of beer or wine at a beer or  
21 wine tasting exhibition or judging event, or (iii) a special occasion  
22 licensee from receiving any such services as may be provided by a  
23 manufacturer, importer, or distributor. Nothing in this section shall  
24 prohibit a retail licensee, or any person financially interested,  
25 directly or indirectly, in such a retail licensee from having a  
26 financial interest, direct or indirect, in a business which provides,  
27 for a compensation commensurate in value to the services provided,  
28 bottling, canning or other services to a manufacturer, so long as the  
29 retail licensee or person interested therein has no direct financial  
30 interest in or control of said manufacturer.

31 (b) A person holding contractual rights to payment from selling a  
32 liquor distributor's business and transferring the license shall not be  
33 deemed to have a financial interest under this section if the person  
34 (i) lacks any ownership in or control of the distributor, (ii) is not  
35 employed by the distributor, and (iii) does not influence or attempt to  
36 influence liquor purchases by retail liquor licensees from the  
37 distributor.

1 (c) The board shall adopt such rules as are deemed necessary to  
2 carry out the purposes and provisions of subsection (3)(a) of this  
3 section in accordance with the administrative procedure act, chapter  
4 34.05 RCW.

5 (4) A license issued under RCW 66.24.395 does not constitute a  
6 retail license for the purposes of this section.

7 (5) A public house license issued under RCW 66.24.580 does not  
8 violate the provisions of this section as to a retailer having an  
9 interest directly or indirectly in a liquor-licensed manufacturer.

10 **Sec. 10.** RCW 66.28.030 and 1997 c 321 s 47 are each amended to  
11 read as follows:

12 Every (~~licensed brewer,~~) domestic (~~brewer~~) brewery and  
13 (~~microbrewer~~) microbrewery, domestic winery, (~~manufacturer holding~~  
14 a)) certificate of approval holder, licensed wine importer, and  
15 licensed beer importer shall be responsible for the conduct of any  
16 licensed beer or wine distributor in selling, or contracting to sell,  
17 to retail licensees, beer or wine manufactured by such (~~brewer,~~)  
18 domestic (~~brewer and microbrewer~~) brewery, microbrewery, domestic  
19 winery, manufacturer holding a certificate of approval, sold by an  
20 authorized representative holding a certificate of approval, or  
21 imported by such beer or wine importer. Where the board finds that any  
22 licensed beer or wine distributor has violated any of the provisions of  
23 this title or of the regulations of the board in selling or contracting  
24 to sell beer or wine to retail licensees, the board may, in addition to  
25 any punishment inflicted or imposed upon such distributor, prohibit the  
26 sale of the brand or brands of beer or wine involved in such violation  
27 to any or all retail licensees within the trade territory usually  
28 served by such distributor for such period of time as the board may  
29 fix, irrespective of whether the brewer manufacturing such beer or the  
30 beer importer importing such beer or the domestic winery manufacturing  
31 such wine or the wine importer importing such wine or the certificate  
32 of approval holder manufacturing such beer or wine or acting as  
33 authorized representative actually participated in such violation.

34 **Sec. 11.** RCW 66.28.040 and 2000 c 179 s 1 are each amended to read  
35 as follows:

36 Except as permitted by the board under RCW 66.20.010, no domestic

1 brewery, microbrewery, distributor, distiller, domestic winery,  
2 importer, rectifier, certificate of approval holder, or other  
3 manufacturer of liquor shall, within the state of Washington, give to  
4 any person any liquor; but nothing in this section nor in RCW 66.28.010  
5 shall prevent a domestic brewery, microbrewery, distributor, domestic  
6 winery, distiller, certificate of approval holder, or importer from  
7 furnishing samples of beer, wine, or spirituous liquor to authorized  
8 licensees for the purpose of negotiating a sale, in accordance with  
9 regulations adopted by the liquor control board, provided that the  
10 samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210,  
11 and in the case of spirituous liquor, any product used for samples must  
12 be purchased at retail from the board; nothing in this section shall  
13 prevent the furnishing of samples of liquor to the board for the  
14 purpose of negotiating the sale of liquor to the state liquor control  
15 board; nothing in this section shall prevent a domestic brewery,  
16 microbrewery, domestic winery, distillery, certificate of approval  
17 holder, or distributor from furnishing beer, wine, or spirituous liquor  
18 for instructional purposes under RCW 66.28.150 ((and ~~66.28.155~~));  
19 nothing in this section shall prevent a domestic winery, certificate of  
20 approval holder, or distributor from furnishing wine without charge,  
21 subject to the taxes imposed by RCW 66.24.210, to a not-for-profit  
22 group organized and operated solely for the purpose of enology or the  
23 study of viticulture which has been in existence for at least six  
24 months and that uses wine so furnished solely for such educational  
25 purposes or a domestic winery, or an out-of-state certificate of  
26 approval holder, from furnishing wine without charge or a domestic  
27 brewery, or an out-of-state certificate of approval holder, from  
28 furnishing beer without charge, subject to the taxes imposed by RCW  
29 66.24.210 or 66.24.290, to a nonprofit charitable corporation or  
30 association exempt from taxation under section 501(c)(3) of the  
31 internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) for use  
32 consistent with the purpose or purposes entitling it to such exemption;  
33 nothing in this section shall prevent a ((~~brewer~~)) domestic brewery or  
34 microbrewery from serving beer without charge, on the brewery premises;  
35 nothing in this section shall prevent donations of wine for the  
36 purposes of RCW 66.12.180; and nothing in this section shall prevent a  
37 domestic winery from serving wine without charge, on the winery  
38 premises.

1       **Sec. 12.** RCW 66.28.042 and 1990 c 125 s 1 are each amended to read  
2 as follows:

3       A liquor manufacturer, importer, authorized representative holding  
4 a certificate of approval, or (~~wholesaler~~) distributor may provide to  
5 licensed retailers and their employees food and beverages for  
6 consumption at a meeting at which the primary purpose is the discussion  
7 of business, and may provide local ground transportation to and from  
8 such meetings. The value of the food, beverage, or transportation  
9 provided under this section shall not be considered the advancement of  
10 moneys or moneys' worth within the meaning of RCW 66.28.010, nor shall  
11 it be considered the giving away of liquor within the meaning of RCW  
12 68.28.040. The board may adopt rules for the implementation of this  
13 section.

14       **Sec. 13.** RCW 66.28.043 and 1990 c 125 s 2 are each amended to read  
15 as follows:

16       A liquor manufacturer, importer, authorized representative holding  
17 a certificate of approval, or (~~wholesaler~~) distributor may provide to  
18 licensed retailers and their employees tickets or admission fees for  
19 athletic events or other forms of entertainment occurring within the  
20 state of Washington, if the manufacturer, importer, (~~wholesaler~~)  
21 distributor, authorized representative holding a certificate of  
22 approval, or any of their employees accompanies the licensed retailer  
23 or its employees to the event. A liquor manufacturer, importer,  
24 authorized representative holding a certificate of approval, or  
25 (~~wholesaler~~) distributor may also provide to licensed retailers and  
26 their employees food and beverages for consumption at such events, and  
27 local ground transportation to and from activities allowed under this  
28 section. The value of the food, beverage, transportation, or admission  
29 to events provided under this section shall not be considered the  
30 advancement of moneys or moneys' worth within the meaning of RCW  
31 66.28.010, nor shall it be considered the giving away of liquor within  
32 the meaning of RCW 68.28.040. The board may adopt rules for the  
33 implementation of this section.

34       **Sec. 14.** RCW 66.28.150 and 1997 c 39 s 2 are each amended to read  
35 as follows:

36       A domestic brewery, microbrewery, domestic winery, distillery,

1 (~~wholesaler~~) distributor, certificate of approval holder, or its  
2 licensed agent may, without charge, instruct licensees and their  
3 employees, or conduct courses of instruction for licensees and their  
4 employees, on the subject of beer, wine, or spirituous liquor,  
5 including but not limited to, the history, nature, values, and  
6 characteristics of beer, wine, or spirituous liquor, the use of wine  
7 lists, and the methods of presenting, serving, storing, and handling  
8 beer, wine, or spirituous liquor. The domestic brewery, microbrewery,  
9 domestic winery, distillery, (~~wholesaler~~) distributor, certificate of  
10 approval holder, or its licensed agent may furnish beer, wine, or  
11 spirituous liquor and such other equipment, materials, and utensils as  
12 may be required for use in connection with the instruction or courses  
13 of instruction. The instruction or courses of instruction may be given  
14 at the premises of the domestic brewery, microbrewery, domestic winery,  
15 distillery, or (~~wholesaler~~) authorized representative holding a  
16 certificate of approval, at the premises of a retail licensee, or  
17 elsewhere within the state of Washington.

18 **Sec. 15.** RCW 66.28.155 and 1997 c 39 s 3 are each amended to read  
19 as follows:

20 A domestic brewery, microbrewery, domestic winery, distillery,  
21 (~~wholesaler~~) distributor, certificate of approval holder, or its  
22 licensed agent may conduct educational activities or provide product  
23 information to the consumer on the licensed premises of a retailer.  
24 Information on the subject of wine, beer, or spirituous liquor,  
25 including but not limited to, the history, nature, quality, and  
26 characteristics of a wine, beer, or spirituous liquor, methods of  
27 harvest, production, storage, handling, and distribution of a wine,  
28 beer, or spirituous liquor, and the general development of the wine,  
29 beer, and spirituous liquor industry may be provided by a domestic  
30 brewery, microbrewery, domestic winery, distillery, (~~wholesaler~~)  
31 distributor, certificate of approval holder, or its licensed agent to  
32 the public on the licensed premises of a retailer. The retailer  
33 requesting such activity shall attempt to schedule a series of brewery,  
34 winery, authorized representative, or distillery and (~~wholesaler~~)  
35 distributor appearances in an effort to equitably represent the  
36 industries. Nothing in this section permits a domestic brewery,  
37 microbrewery, domestic winery, distillery, (~~wholesaler~~) distributor,

1 certificate of approval holder, or its licensed agent to receive  
2 compensation or financial benefit from the educational activities or  
3 product information presented on the licensed premises of a retailer.  
4 The promotional value of such educational activities or product  
5 information shall not be considered advancement of moneys or of moneys'  
6 worth within the meaning of RCW 66.28.010.

7 **Sec. 16.** RCW 66.28.160 and 1985 c 352 s 20 are each amended to  
8 read as follows:

9 No liquor manufacturer, importer, (~~wholesaler~~) distributor,  
10 retailer, authorized representative holding a certificate of approval,  
11 agent thereof, or campus representative of any of the foregoing, may  
12 conduct promotional activities for any liquor product on the campus of  
13 any college or university nor may any such entities engage in  
14 activities that facilitate or promote the consumption of alcoholic  
15 beverages by the students of the college or university at which the  
16 activity takes place. This section does not prohibit the following:

17 (1) The sale of alcoholic beverages, by retail licensees on their  
18 licensed premises, to persons of legal age and condition to consume  
19 alcoholic beverages;

20 (2) Sponsorship of broadcasting services for events on a college or  
21 university campus;

22 (3) Liquor advertising in campus publications; or

23 (4) Financial assistance to an activity and acknowledgment of the  
24 source of the assistance, if the assistance, activity, and  
25 acknowledgment are each approved by the college or university  
26 administration.

27 **Sec. 17.** RCW 66.28.170 and 1997 c 321 s 50 are each amended to  
28 read as follows:

29 It is unlawful for a manufacturer of wine or malt beverages holding  
30 a certificate of approval issued under RCW 66.24.270 or 66.24.206 or  
31 the manufacturer's authorized representative, a brewery (~~license~~), or  
32 a domestic winery (~~license~~) to discriminate in price in selling to  
33 any purchaser for resale in the state of Washington.

34 **Sec. 18.** RCW 66.28.180 and 1997 c 321 s 51 are each amended to  
35 read as follows:

1 It is unlawful for a person, firm, or corporation holding a  
2 certificate of approval issued under RCW 66.24.270 or 66.24.206, a beer  
3 distributor's license, a domestic (~~(brewer's)~~) brewery license, a  
4 (~~(microbrewer's)~~) microbrewery license, a beer importer's license, a  
5 beer distributor's license, a domestic winery license, a wine  
6 importer's license, or a wine distributor's license within the state of  
7 Washington to modify any prices without prior notification to and  
8 approval of the board.

9 (1) Intent. This section is enacted, pursuant to the authority of  
10 this state under the twenty-first amendment to the United States  
11 Constitution, to promote the public's interest in fostering the orderly  
12 and responsible distribution of malt beverages and wine towards  
13 effective control of consumption; to promote the fair and efficient  
14 three-tier system of distribution of such beverages; and to confirm  
15 existing board rules as the clear expression of state policy to  
16 regulate the manner of selling and pricing of wine and malt beverages  
17 by licensed suppliers and distributors.

18 (2) Beer and wine distributor price posting.

19 (a) Every beer or wine distributor shall file with the board at its  
20 office in Olympia a price posting showing the wholesale prices at which  
21 any and all brands of beer and wine sold by such beer and/or wine  
22 distributor shall be sold to retailers within the state.

23 (b) Each price posting shall be made on a form prepared and  
24 furnished by the board, or a reasonable facsimile thereof, and shall  
25 set forth:

26 (i) All brands, types, packages, and containers of beer offered for  
27 sale by such beer and/or wine distributor;

28 (ii) The wholesale prices thereof to retail licensees, including  
29 allowances, if any, for returned empty containers.

30 (c) No beer and/or wine distributor may sell or offer to sell any  
31 package or container of beer or wine to any retail licensee at a price  
32 differing from the price for such package or container as shown in the  
33 price posting filed by the beer and/or wine distributor and then in  
34 effect, according to rules adopted by the board.

35 (d) Quantity discounts are prohibited. No price may be posted that  
36 is below acquisition cost plus ten percent of acquisition cost.  
37 However, the board is empowered to review periodically, as it may deem

1 appropriate, the amount of the percentage of acquisition cost as a  
2 minimum mark-up over cost and to modify such percentage by rule of the  
3 board, except such percentage shall be not less than ten percent.

4 (e) Distributor prices on a "close-out" item shall be accepted by  
5 the board if the item to be discontinued has been listed on the state  
6 market for a period of at least six months, and upon the further  
7 condition that the distributor who posts such a close-out price shall  
8 not restock the item for a period of one year following the first  
9 effective date of such close-out price.

10 (f) The board may reject any price posting that it deems to be in  
11 violation of this section or any rule, or portion thereof, or that  
12 would tend to disrupt the orderly sale and distribution of beer and  
13 wine. Whenever the board rejects any posting, the licensee submitting  
14 the posting may be heard by the board and shall have the burden of  
15 showing that the posting is not in violation of this section or a rule  
16 or does not tend to disrupt the orderly sale and distribution of beer  
17 and wine. If the posting is accepted, it shall become effective at the  
18 time fixed by the board. If the posting is rejected, the last  
19 effective posting shall remain in effect until such time as an amended  
20 posting is filed and approved, in accordance with the provisions of  
21 this section.

22 (g) All price postings filed as required by this section shall at  
23 all times be open to inspection to all trade buyers within the state of  
24 Washington and shall not in any sense be considered confidential.

25 (h) Any beer and/or wine distributor or employee authorized by the  
26 distributor-employer may sell beer and/or wine at the distributor's  
27 posted prices to any annual or special occasion retail licensee upon  
28 presentation to the distributor or employee at the time of purchase of  
29 a special permit issued by the board to such licensee.

30 (i) Every annual or special occasion retail licensee, upon  
31 purchasing any beer and/or wine from a distributor, shall immediately  
32 cause such beer or wine to be delivered to the licensed premises, and  
33 the licensee shall not thereafter permit such beer to be disposed of in  
34 any manner except as authorized by the license.

35 (ii) Beer and wine sold as provided in this section shall be  
36 delivered by the distributor or an authorized employee either to the  
37 retailer's licensed premises or directly to the retailer at the

1 distributor's licensed premises. A distributor's prices to retail  
2 licensees shall be the same at both such places of delivery.

3 (3) Beer and wine suppliers' price filings, contracts, and  
4 memoranda.

5 (a) Every domestic brewery, microbrewery, and domestic winery  
6 offering beer and/or wine for sale within the state shall file with the  
7 board at its office in Olympia a copy of every written contract and a  
8 memorandum of every oral agreement which such brewery or winery may  
9 have with any beer or wine distributor, which contracts or memoranda  
10 shall contain a schedule of prices charged to distributors for all  
11 items and all terms of sale, including all regular and special  
12 discounts; all advertising, sales and trade allowances, and incentive  
13 programs; and all commissions, bonuses or gifts, and any and all other  
14 discounts or allowances. Whenever changed or modified, such revised  
15 contracts or memoranda shall forthwith be filed with the board as  
16 provided for by rule. The provisions of this section also apply to  
17 certificate of approval holders, beer and/or wine importers, and beer  
18 and/or wine distributors who sell to other beer and/or wine  
19 distributors.

20 Each price schedule shall be made on a form prepared and furnished  
21 by the board, or a reasonable facsimile thereof, and shall set forth  
22 all brands, types, packages, and containers of beer or wine offered for  
23 sale by such licensed brewery or winery; all additional information  
24 required may be filed as a supplement to the price schedule forms.

25 (b) Prices filed by a domestic brewery (~~(or)~~), microbrewery,  
26 domestic winery, or certificate of approval holder shall be uniform  
27 prices to all distributors on a statewide basis less bona fide  
28 allowances for freight differentials. Quantity discounts are  
29 prohibited. No price shall be filed that is below  
30 acquisition/production cost plus ten percent of that cost, except that  
31 acquisition cost plus ten percent of acquisition cost does not apply to  
32 sales of beer or wine between a beer or wine importer who sells beer or  
33 wine to another beer or wine importer or to a beer or wine distributor,  
34 or to a beer or wine distributor who sells beer or wine to another beer  
35 or wine distributor. However, the board is empowered to review  
36 periodically, as it may deem appropriate, the amount of the percentage  
37 of acquisition/production cost as a minimum mark-up over cost and to

1 modify such percentage by rule of the board, except such percentage  
2 shall be not less than ten percent.

3 (c) No domestic brewery, microbrewery, domestic winery, certificate  
4 of approval holder, beer or wine importer, or beer or wine distributor  
5 may sell or offer to sell any beer or wine to any persons whatsoever in  
6 this state until copies of such written contracts or memoranda of such  
7 oral agreements are on file with the board.

8 (d) No domestic brewery (~~(( $\otimes$ ))~~), microbrewery, domestic winery, or  
9 certificate of approval holder may sell or offer to sell any package or  
10 container of beer or wine to any distributor at a price differing from  
11 the price for such package or container as shown in the schedule of  
12 prices filed by the domestic brewery (~~(( $\otimes$ ))~~), microbrewery, domestic  
13 winery, or certificate of approval holder and then in effect, according  
14 to rules adopted by the board.

15 (e) The board may reject any supplier's price filing, contract, or  
16 memorandum of oral agreement, or portion thereof that it deems to be in  
17 violation of this section or any rule or that would tend to disrupt the  
18 orderly sale and distribution of beer or wine. Whenever the board  
19 rejects any such price filing, contract, or memorandum, the licensee  
20 submitting the price filing, contract, or memorandum may be heard by  
21 the board and shall have the burden of showing that the price filing,  
22 contract, or memorandum is not in violation of this section or a rule  
23 or does not tend to disrupt the orderly sale and distribution of beer  
24 or wine. If the price filing, contract, or memorandum is accepted, it  
25 shall become effective at a time fixed by the board. If the price  
26 filing, contract, or memorandum, or portion thereof, is rejected, the  
27 last effective price filing, contract, or memorandum shall remain in  
28 effect until such time as an amended price filing, contract, or  
29 memorandum is filed and approved, in accordance with the provisions of  
30 this section.

31 (f) All prices, contracts, and memoranda filed as required by this  
32 section shall at all times be open to inspection to all trade buyers  
33 within the state of Washington and shall not in any sense be considered  
34 confidential.

35 **Sec. 19.** RCW 19.126.020 and 2003 c 59 s 2 are each amended to read  
36 as follows:

1 The definitions set forth in this section apply throughout this  
2 chapter unless the context clearly requires otherwise.

3 (1) "Agreement of distributorship" means any contract, agreement,  
4 commercial relationship, license, association, or any other  
5 arrangement, for a definite or indefinite period, between a supplier  
6 and distributor.

7 (2) "Distributor" means any person, including but not limited to a  
8 component of a supplier's distribution system constituted as an  
9 independent business, importing or causing to be imported into this  
10 state, or purchasing or causing to be purchased within this state, any  
11 malt beverage for sale or resale to retailers licensed under the laws  
12 of this state, regardless of whether the business of such person is  
13 conducted under the terms of any agreement with a malt beverage  
14 manufacturer.

15 (3) "Supplier" means any malt beverage manufacturer or importer who  
16 enters into or is a party to any agreement of distributorship with a  
17 wholesale distributor. "Supplier" does not include: (a) Any domestic  
18 (~~(brewer)~~) brewery or (~~(microbrewer)~~) microbrewery licensed under RCW  
19 66.24.240 and producing less than fifty thousand barrels of malt liquor  
20 annually; (~~(or)~~) (b) any brewer or manufacturer of malt liquor  
21 producing less than fifty thousand barrels of malt liquor annually and  
22 holding a certificate of approval issued under RCW 66.24.270; or (c)  
23 any authorized representative of malt liquor manufacturers who holds an  
24 appointment from one or more malt liquor manufacturers which, in the  
25 aggregate, produce less than fifty thousand barrels of malt liquor.

26 (4) "Malt beverage manufacturer" means every brewer, fermenter,  
27 processor, bottler, or packager of malt beverages located within or  
28 outside this state, or any other person, whether located within or  
29 outside this state, who enters into an agreement of distributorship for  
30 the resale of malt beverages in this state with any wholesale  
31 distributor doing business in the state of Washington.

32 (5) "Importer" means any distributor importing beer into this state  
33 for sale to retailer accounts or for sale to other (~~(wholesalers)~~)  
34 distributors designated as "subjobbers" for resale.

35 (6) "Authorized representative" has the same meaning as "authorized  
36 representative" as defined in RCW 66.04.010.

37 (7) "Person" means any natural person, corporation, partnership,

1 trust, agency, or other entity, as well as any individual officers,  
2 directors, or other persons in active control of the activities of such  
3 entity.

4 NEW SECTION. **Sec. 20.** This act takes effect January 1, 2005.

Passed by the Senate March 9, 2004.

Passed by the House March 4, 2004.

Approved by the Governor March 26, 2004.

Filed in Office of Secretary of State March 26, 2004.