## CERTIFICATION OF ENROLLMENT

## SUBSTITUTE HOUSE BILL 1001

Chapter 219, Laws of 2013

63rd Legislature 2013 Regular Session

BEER AND WINE--THEATER LICENSES

EFFECTIVE DATE: 07/28/13

Passed by the House April 22, 2013 Yeas 87 Nays 7

## FRANK CHOPP

# Speaker of the House of Representatives

Passed by the Senate April 12, 2013 Yeas 27 Nays 21

## CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1001** as passed by the House of Representatives and the Senate on the dates hereon set forth.

# BARBARA BAKER

#### BRAD OWEN

Chief Clerk

# President of the Senate

Approved May 14, 2013, 11:05 a.m.

FILED

May 14, 2013

JAY INSLEE

Secretary of State State of Washington

Governor of the State of Washington

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## SUBSTITUTE HOUSE BILL 1001

## AS AMENDED BY THE SENATE

Passed Legislature - 2013 Regular Session

# State of Washington

63rd Legislature

2013 Regular Session

By House Government Accountability & Oversight (originally sponsored by Representatives Moeller, Pedersen, Hunt, Clibborn, Green, Van De Wege, Fitzgibbon, Lytton, Appleton, Maxwell, Tharinger, Ormsby, Riccelli, Pollet, and Jinkins)

READ FIRST TIME 02/01/13.

- 1 AN ACT Relating to beer and wine theater licenses; amending RCW
- 2 66.20.300 and 66.20.310; adding a new section to chapter 66.24 RCW; and
- 3 prescribing penalties.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 66.24 RCW 6 to read as follows:
  - (1) There is a theater license to sell beer, including strong beer, or wine, or both, at retail, for consumption on theater premises. The annual fee is four hundred dollars for a beer and wine theater license.
  - (2) If the theater premises is to be frequented by minors, an alcohol control plan must be submitted to the board at the time of application. The alcohol control plan must be approved by the board, and be prominently posted on the premises, prior to minors being allowed.
    - (3) For the purposes of this section:
- 16 (a) "Alcohol control plan" means a written, dated, and signed plan 17 submitted to the board by an applicant or licensee for the entire 18 theater premises, or rooms or areas therein, that shows where and when 19 alcohol is permitted, where and when minors are permitted, and the

- control measures used to ensure that minors are not able to obtain alcohol or be exposed to environments where drinking alcohol predominates.
  - (b) "Theater" means a place of business where motion pictures or other primarily nonparticipatory entertainment are shown, and includes only theaters with up to four screens.
  - (4) The board must adopt rules regarding alcohol control plans and necessary control measures to ensure that minors are not able to obtain alcohol or be exposed to areas where drinking alcohol predominates. All alcohol control plans must include a requirement that any person involved in the serving of beer and/or wine must have completed a mandatory alcohol server training program.
  - (5)(a) A licensee that is an entity that is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended as of January 1, 2013, may enter into arrangements with a beer or wine manufacturer, importer, or distributor for brand advertising at the theater or promotion of events held at the theater. The financial arrangements providing for the brand advertising or promotion of events may not be used as an inducement to purchase the products of the manufacturer, importer, or distributor entering into the arrangement and such arrangements may not result in the exclusion of brands or products of other companies.
  - (b) The arrangements allowed under this subsection (5) are an exception to arrangements prohibited under RCW 66.28.305. The board must monitor the impacts of these arrangements. The board may conduct audits of a licensee and the affiliated business to determine compliance with this subsection (5). Audits may include, but are not limited to: Product selection at the facility; purchase patterns of the licensee; contracts with the beer or wine manufacturer, importer, or distributor; and the amount allocated or used for wine or beer advertising by the licensee, affiliated business, manufacturer, importer, or distributor under the arrangements.
  - (6) The maximum penalties prescribed by the board in WAC 314-29-020 relating to fines and suspensions are double for violations involving minors or the failure to follow the alcohol control plan with respect to theaters licensed under this section.

- 1 **Sec. 2.** RCW 66.20.300 and 2011 c 325 s 5 are each amended to read 2 as follows:
  - ((Unless the context clearly requires otherwise,)) The definitions in this section apply throughout RCW 66.20.310 through 66.20.350 unless the context clearly requires otherwise.
    - (1) "Alcohol" has the same meaning as "liquor" in RCW 66.04.010.
    - (2) "Alcohol server" means any person who as part of his or her employment participates in the sale or service of alcoholic beverages for on-premise consumption at a retail licensed premise as a regular requirement of his or her employment, and includes those persons eighteen years of age or older permitted by the liquor laws of this state to serve alcoholic beverages with meals.
    - (3) "Board" means the Washington state liquor control board.
- 14 (4) "Training entity" means any liquor licensee associations, 15 independent contractors, private persons, and private or public 16 schools, that have been certified by the board.
  - (5) "Retail licensed premises" means any:

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- (a) Premises licensed to sell alcohol by the glass or by the drink, or in original containers primarily for consumption on the premises as authorized by this section and RCW 66.20.310, 66.24.320, 66.24.330, 66.24.350, 66.24.400, 66.24.425, 66.24.450, 66.24.570, ((and)) 66.24.610, and section 1 of this act;
- 23 (b) Distillery licensed pursuant to RCW 66.24.140 that is 24 authorized to serve samples of its own production;
  - (c) Facility established by a domestic winery for serving and selling wine pursuant to RCW 66.24.170(4); and
- 27 (d) Grocery store licensed under RCW 66.24.360, but only with 28 respect to employees whose duties include serving during tasting 29 activities under RCW 66.24.363.
- 30 **Sec. 3.** RCW 66.20.310 and 2011 c 325 s 4 are each amended to read 31 as follows:
- (1)(a) There ((shall be)) is an alcohol server permit, known as a class 12 permit, for a manager or bartender selling or mixing alcohol, spirits, wines, or beer for consumption at an on-premises licensed facility.
- 36 (b) There ((shall-be)) is an alcohol server permit, known as a

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- class 13 permit, for a person who only serves alcohol, spirits, wines, or beer for consumption at an on-premises licensed facility.
  - (c) As provided by rule by the board, a class 13 permit holder may be allowed to act as a bartender without holding a class 12 permit.
    - (2)(a) Effective January 1, 1997, except as provided in (d) of this subsection, every alcohol server employed, under contract or otherwise, at a retail licensed premise ((shall)) must be issued a class 12 or class 13 permit.
    - (b) Every class 12 and class 13 permit issued ((shall)) must be issued in the name of the applicant and no other person may use the permit of another permit holder. The holder ((shall)) must present the permit upon request to inspection by a representative of the board or a peace officer. The class 12 or class 13 permit ((shall be)) is valid for employment at any retail licensed premises described in (a) of this subsection.
- 16 (c) Except as provided in (d) of this subsection, no licensee holding a license as authorized by this section and RCW 66.20.300, 66.24.320, 66.24.330, 66.24.350, 66.24.400, 66.24.425, 66.24.450, 66.24.570, 66.24.600, ((and)) 66.24.610, and section 1 of this act may employ or accept the services of any person without the person first having a valid class 12 or class 13 permit.
  - (d) Within sixty days of initial employment, every person whose duties include the compounding, sale, service, or handling of liquor ((shall)) <u>must</u> have a class 12 or class 13 permit.
  - (e) No person may perform duties that include the sale or service of alcoholic beverages on a retail licensed premises without possessing a valid alcohol server permit.
  - (3) A permit issued by a training entity under this section is valid for employment at any retail licensed premises described in subsection (2)(a) of this section for a period of five years unless suspended by the board.
  - (4) The board may suspend or revoke an existing permit if any of the following occur:
  - (a) The applicant or permittee has been convicted of violating any of the state or local intoxicating liquor laws of this state or has been convicted at any time of a felony; or
- 37 (b) The permittee has performed or permitted any act that 38 constitutes a violation of this title or of any rule of the board.

(5) The suspension or revocation of a permit under this section does not relieve a licensee from responsibility for any act of the employee or agent while employed upon the retail licensed premises. The board may, as appropriate, revoke or suspend either the permit of the employee who committed the violation or the license of the licensee upon whose premises the violation occurred, or both the permit and the license.

- (6)(a) After January 1, 1997, it is a violation of this title for any retail licensee or agent of a retail licensee as described in subsection (2)(a) of this section to employ in the sale or service of alcoholic beverages, any person who does not have a valid alcohol server permit or whose permit has been revoked, suspended, or denied.
- (b) It is a violation of this title for a person whose alcohol server permit has been denied, suspended, or revoked to accept employment in the sale or service of alcoholic beverages.
- (7) Grocery stores licensed under RCW 66.24.360, the primary commercial activity of which is the sale of grocery products and for which the sale and service of beer and wine for on-premises consumption with food is incidental to the primary business, and employees of such establishments, are exempt from RCW 66.20.300 through 66.20.350, except for employees whose duties include serving during tasting activities under RCW 66.24.363.

Passed by the House April 22, 2013. Passed by the Senate April 12, 2013. Approved by the Governor May 14, 2013. Filed in Office of Secretary of State May 14, 2013.