
SUBSTITUTE SENATE BILL 5643

State of Washington

66th Legislature

2019 Regular Session

By Senate Ways & Means (originally sponsored by Senators King, Palumbo, Honeyford, Keiser, Walsh, Saldaña, and Nguyen)

READ FIRST TIME 03/25/19.

1 AN ACT Relating to theater licenses; and amending RCW 66.24.655
2 and 66.24.650.

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

4 **Sec. 1.** RCW 66.24.655 and 2013 c 237 s 1 are each amended to
5 read as follows:

6 (1) There is a theater license to sell spirits, beer, including
7 strong beer, or wine, or all, at retail, for consumption on theater
8 premises.

9 (a) A spirits, beer, and wine theater license may be issued
10 ((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)) meet the
14 requirements of (b) of this subsection. However, theaters with no
15 more than four screens that provide tabletop service are exempt from
16 the requirements of (b)(ii) and (iv) of this subsection. Requirements
17 for complete meals are the same as those adopted by the board in
18 rules pursuant to chapter 34.05 RCW for a spirits, beer, and wine
19 restaurant license authorized by RCW 66.24.400. The annual fee for a
20 spirits, beer, and wine theater license is two thousand dollars.

21 (b) A spirits, beer, and wine theater licensee must:

1 (i) Serve alcoholic beverages in distinctive glassware that is
2 visibly different from glassware containing nonalcoholic beverages.
3 Glassware for beer shall not exceed a standard twenty-four ounce
4 size, glassware for cocktails shall not exceed a sixteen ounce size,
5 and glassware for wine shall not exceed a ten ounce size. No drink
6 containing distilled spirits shall exceed three ounces of spirits and
7 must be one hundred proof or less;

8 (ii) Separate the bar and lounge area from the concession stand.
9 No alcoholic beverages may be sold from any temporary location on the
10 premises including, but not limited to, mobile bars, ice buckets, and
11 hawkers;

12 (iii) Not hold promotions that encourage intoxication or drinking
13 contests. Each customer must be physically present and age verified
14 at the time of order for any alcoholic beverage;

15 (iv) Not promote the sale of spirits, beer, or wine on the
16 theater premises through advertising such as posters or neon signs;
17 and

18 (v) Ensure that all managers and staff who interact with guests
19 complete a responsible service of alcohol course within thirty days
20 of hire. The course must teach the managers and staff to identify
21 minors and prevent them from purchasing alcoholic beverages, and
22 identify the signs of intoxication and prevent service to intoxicated
23 individuals.

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

29 (3) For the purposes of this section:

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

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

39 (4) The board must adopt rules regarding alcohol control plans
40 and necessary control measures to ensure that minors are not able to

1 obtain alcohol or be exposed to areas where drinking alcohol
2 predominates. All alcohol control plans must include a requirement
3 that any person involved in the serving of spirits, beer, and/or wine
4 must have completed a mandatory alcohol server training program.

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

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

26 (6) The maximum penalties prescribed by the board in WAC
27 314-29-020 relating to fines and suspensions are double for
28 violations involving minors or the failure to follow the alcohol
29 control plan with respect to theaters licensed under this section.

30 **Sec. 2.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to
31 read as follows:

32 (1) There is a theater license to sell beer, including strong
33 beer, or wine, or both, at retail, for consumption on theater
34 premises. The annual fee is four hundred dollars for a beer and wine
35 theater license.

36 (2) If the theater premises is to be frequented by minors, an
37 alcohol control plan must be submitted to the board at the time of
38 application. The alcohol control plan must be approved by the board,

1 and be prominently posted on the premises, prior to minors being
2 allowed.

3 (3) For the purposes of this section:

4 (a) "Alcohol control plan" means a written, dated, and signed
5 plan submitted to the board by an applicant or licensee for the
6 entire theater premises, or rooms or areas therein, that shows where
7 and when alcohol is permitted, where and when minors are permitted,
8 and the control measures used to ensure that minors are not able to
9 obtain alcohol or be exposed to environments where drinking alcohol
10 predominates.

11 (b) "Theater" means a place of business where motion pictures or
12 other primarily nonparticipatory entertainment are shown(~~(, and~~
13 ~~includes only theaters with up to four screens))~~).

14 (4) The board must adopt rules regarding alcohol control plans
15 and necessary control measures to ensure that minors are not able to
16 obtain alcohol or be exposed to areas where drinking alcohol
17 predominates. All alcohol control plans must include a requirement
18 that any person involved in the serving of beer and/or wine must have
19 completed a mandatory alcohol server training program.

20 (5) (a) A licensee that is an entity that is exempt from taxation
21 under Title 26 U.S.C. Sec. 501(c) (3) of the federal internal revenue
22 code of 1986, as amended as of January 1, 2013, may enter into
23 arrangements with a beer or wine manufacturer, importer, or
24 distributor for brand advertising at the theater or promotion of
25 events held at the theater. The financial arrangements providing for
26 the brand advertising or promotion of events may not be used as an
27 inducement to purchase the products of the manufacturer, importer, or
28 distributor entering into the arrangement and such arrangements may
29 not result in the exclusion of brands or products of other companies.

30 (b) The arrangements allowed under this subsection (5) are an
31 exception to arrangements prohibited under RCW 66.28.305. The board
32 must monitor the impacts of these arrangements. The board may conduct
33 audits of a licensee and the affiliated business to determine
34 compliance with this subsection (5). Audits may include, but are not
35 limited to: Product selection at the facility; purchase patterns of
36 the licensee; contracts with the beer or wine manufacturer, importer,
37 or distributor; and the amount allocated or used for wine or beer
38 advertising by the licensee, affiliated business, manufacturer,
39 importer, or distributor under the arrangements.

1 (6) The maximum penalties prescribed by the board in WAC
2 314-29-020 relating to fines and suspensions are double for
3 violations involving minors or the failure to follow the alcohol
4 control plan with respect to theaters licensed under this section.

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