

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5272

Chapter 6, Laws of 2021

67th Legislature
2021 Regular Session

LIQUOR AND CANNABIS BOARD ANNUAL LICENSING FEES--TEMPORARY WAIVER

EFFECTIVE DATE: February 28, 2021

Passed by the Senate February 3, 2021
Yeas 48 Nays 1

DENNY HECK

President of the Senate

Passed by the House February 23, 2021
Yeas 93 Nays 4

Laurie Jinkins

**Speaker of the House of
Representatives**

Approved February 28, 2021 9:40 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5272** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

March 1, 2021

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5272

Passed Legislature - 2021 Regular Session

State of Washington

67th Legislature

2021 Regular Session

By Senate Ways & Means (originally sponsored by Senators Rolfes, Frockt, Conway, Das, Dhingra, Keiser, Lovelett, Mullet, Nguyen, Nobles, Randall, Saldaña, Stanford, Wilson, C., and Wilson, J.)

READ FIRST TIME 01/29/21.

1 AN ACT Relating to temporarily waiving certain liquor and
2 cannabis board annual licensing fees; amending RCW 66.24.140,
3 66.24.146, 66.24.170, 66.24.240, 66.24.244, 66.24.320, 66.24.330,
4 66.24.350, 66.24.420, 66.24.495, 66.24.540, 66.24.570, 66.24.580,
5 66.24.590, 66.24.600, 66.24.650, 66.24.655, 66.24.680, and 66.24.690;
6 and declaring an emergency.

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

8 **Sec. 1.** RCW 66.24.140 and 2020 c 238 s 1 are each amended to
9 read as follows:

10 (1) There is a license to distillers, including blending,
11 rectifying, and bottling; fee two thousand dollars per annum, unless
12 provided otherwise as follows:

13 (a) For distillers producing one hundred fifty thousand gallons
14 or less of spirits with at least half of the raw materials used in
15 the production grown in Washington, the license fee must be reduced
16 to one hundred dollars per annum;

17 (b) The board must license stills used and to be used solely and
18 only by a commercial chemist for laboratory purposes, and not for the
19 manufacture of liquor for sale, at a fee of twenty dollars per annum;

1 (c) The board must license stills used and to be used solely and
2 only for laboratory purposes in any school, college, or educational
3 institution in the state, without fee; (~~and~~)

4 (d) The board must license stills that have been duly licensed as
5 fruit and/or wine distilleries by the federal government, used and to
6 be used solely as fruit and/or wine distilleries in the production of
7 fruit brandy and wine spirits, at a fee of two hundred dollars per
8 annum;

9 (e) The annual fees in this subsection (1) are waived during the
10 12-month period beginning with the second calendar month after the
11 effective date of this section for:

12 (i) Licenses that expire during the 12-month waiver period under
13 this subsection (1) (e); and

14 (ii) Licenses issued to persons previously licensed under this
15 section at any time during the 12-month period prior to the 12-month
16 waiver period under this subsection (1) (e);

17 (f) The waivers in (e) of this subsection do not apply to any
18 licensee that:

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

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

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

32 (2) Any distillery licensed under this section may:

33 (a) Sell, for off-premises consumption, spirits of the
34 distillery's own production, spirits produced by another distillery
35 or craft distillery licensed in this state, or vermouth or sparkling
36 wine products produced by a licensee in this state. A distillery
37 selling spirits or other alcohol authorized under this subsection
38 must comply with the applicable laws and rules relating to retailers
39 for those products;

1 (b) Contract distilled spirits for, and sell contract distilled
2 spirits to, holders of distillers' or manufacturers' licenses,
3 including licenses issued under RCW 66.24.520, or for export; and

4 (c) Serve samples of spirits for free or for a charge, and sell
5 servings of spirits, vermouth, and sparkling wine to customers for
6 on-premises consumption, at the premises of the distillery indoors,
7 outdoors, or in any combination thereof, and at the distillery's off-
8 site tasting rooms in accordance with this chapter, subject to the
9 following conditions:

10 (i) A distillery may provide to customers, for free or for a
11 charge, for on-premises consumption, spirits samples that are one-
12 half ounce or less per sample of spirits, and that may be adulterated
13 with water, ice, other alcohol entitled to be served or sold on the
14 licensed premises under this section, or nonalcoholic mixers;

15 (ii) A distillery may sell, for on-premises consumption, servings
16 of spirits of the distillery's own production or spirits produced by
17 another distillery or craft distillery licensed in this state, which
18 must be adulterated with water, ice, other alcohol entitled to be
19 sold or served on the licensed premises, or nonalcoholic mixers if
20 the revenue derived from the sale of spirits for on-premises
21 consumption under this subsection (2)(c)(ii) does not comprise more
22 than thirty percent of the overall gross revenue earned in the
23 tasting room during the calendar year. Any distiller who sells
24 adulterated products under this subsection, must file an annual
25 report with the board that summarizes the distiller's revenue
26 sources; and

27 (iii) A distillery may sell, for on-premises consumption,
28 servings of vermouth or sparkling wine products produced by a
29 licensee in this state.

30 (3)(a) If a distillery provides or sells spirits or other alcohol
31 products authorized to be sold or provided to customers for on-
32 premises or off-premises consumption that are produced by another
33 distillery, craft distillery, or licensee in this state, then at any
34 one time no more than twenty-five percent of the alcohol stock-
35 keeping units offered or sold by the distillery at its distillery
36 premises and at any off-site tasting rooms licensed under RCW
37 66.24.146 may be vermouth, sparkling wine, or spirits made by another
38 distillery, craft distillery, or licensee in this state. If a
39 distillery sells fewer than twenty alcohol stock-keeping units of
40 products of its own production, it may sell up to five alcohol stock-

1 keeping units of vermouth, sparkling wine, or spirits produced by
2 another distillery, craft distillery, or licensee in this state.

3 (b) A person is limited to receiving or purchasing, for on-
4 premises consumption, no more than two ounces total of spirits that
5 are unadulterated. Any additional spirits purchased for on-premises
6 consumption must be adulterated as authorized in this section.

7 (c) (i) No person under twenty-one years of age may be on the
8 premises of a distillery tasting room, including an off-site tasting
9 room licensed under RCW 66.24.146, unless they are accompanied by
10 their parent or legal guardian.

11 (ii) Every distillery tasting room, including the off-site
12 tasting rooms licensed under RCW 66.24.146, where alcohol is sampled,
13 sold, or served, must include a designated area where persons under
14 twenty-one years of age are allowed to enter. Such location may be in
15 a separate room or a designated area within the tasting room
16 separated from the remainder of the tasting room space as authorized
17 by the board.

18 (iii) Except for (c) (iv) of this subsection, or an event where a
19 private party has secured a private banquet permit, no person under
20 twenty-one years of age may be on the distillery premises, or the
21 off-site tasting rooms licensed under RCW 66.24.146, past 9:00 p.m.

22 (iv) Notwithstanding the limitations of (c) (iii) of this
23 subsection, persons under twenty-one years of age who are children of
24 owners, operators, or managers of a distillery or an off-site tasting
25 room licensed under RCW 66.24.146, may be in any area of a
26 distillery, tasting room, or an off-site tasting room licensed under
27 RCW 66.24.146, provided they must be under the direct supervision of
28 their parent or legal guardian while on the premises.

29 (d) Any person serving or selling spirits or other alcohol
30 authorized to be served or sold by a distillery must obtain a class
31 12 alcohol server permit.

32 (e) A distillery may sell nonalcoholic products at retail.

33 **Sec. 2.** RCW 66.24.146 and 2020 c 238 s 3 are each amended to
34 read as follows:

35 (1) There is a tasting room license available to distillery and
36 craft distillery licensees. A tasting room license authorizes the
37 operation of an off-site tasting room, in addition to a tasting room
38 attached to the distillery's or craft distillery's production
39 facility, at which the licensee may sample, serve, and sell spirits

1 and alcohol products authorized to be sampled, served, and sold under
2 RCW 66.24.140 and 66.24.145, for on-premises and off-premises
3 consumption, subject to the same limitations as provided in RCW
4 66.24.140 and 66.24.145.

5 (2)(a) A distillery or craft distillery licensed production
6 facility is eligible for no more than two off-site tasting room
7 licenses located in this state, which may be indoors, or outdoors or
8 a combination thereof, and which shall be administratively tied to a
9 licensed production facility. A separate license is required for the
10 operation of each off-site tasting room. The fee for each off-site
11 tasting room license is two thousand dollars per annum. No additional
12 license is required for a distillery or craft distillery to sample,
13 serve, and sell spirits and alcohol to customers in a tasting room on
14 the distillery or craft distillery premises as authorized under this
15 section, RCW 66.24.1472, 66.24.140, 66.24.145, 66.28.040, 66.24.630,
16 and 66.28.310. Off-site tasting rooms may have a section identified
17 and segregated as federally bonded spaces for the storage of bulk or
18 packaged spirits. Product of the licensee's production may be bottled
19 or packaged in the space.

20 (b) The annual fee in (a) of this subsection is waived during the
21 12-month period beginning with the second calendar month after the
22 effective date of this section for:

23 (i) Licenses that expire during the 12-month waiver period under
24 this subsection (2)(b); and

25 (ii) Licenses issued to persons previously licensed under this
26 section at any time during the 12-month period prior to the 12-month
27 waiver period under this subsection (2)(b).

28 (c) The waiver in (b) of this subsection does not apply to any
29 licensee that:

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

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

36 (d) Upon request of the department of revenue, the board and the
37 department of labor and industries must both provide a list of
38 persons that they have determined to be ineligible for a fee waiver
39 under (b) of this subsection for the reasons described in (c) of this
40 subsection. Unless otherwise agreed, any list must be received by the

1 department of revenue no later than 15 calendar days after the
2 request is made.

3 **Sec. 3.** RCW 66.24.170 and 2019 c 169 s 1 are each amended to
4 read as follows:

5 (1)(a) There is a license for domestic wineries; fee to be
6 computed only on the liters manufactured: Less than two hundred fifty
7 thousand liters per year, one hundred dollars per year; and two
8 hundred fifty thousand liters or more per year, four hundred dollars
9 per year.

10 (b) The annual fees in (a) of this subsection are waived during
11 the 12-month period beginning with the second calendar month after
12 the effective date of this section for:

13 (i) Licenses that expire during the 12-month waiver period under
14 this subsection (1)(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 (1)(b).

18 (c) The waivers in (b) of this subsection do 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 (2) The license allows for the manufacture of wine in Washington
34 state from grapes or other agricultural products.

35 (3) Any domestic winery licensed under this section may also act
36 as a retailer of wine of its own production. Any domestic winery
37 licensed under this section may act as a distributor of its own
38 production. Notwithstanding any language in this title to the
39 contrary, a domestic winery may use a common carrier to deliver up to

1 one hundred cases of its own production, in the aggregate, per month
2 to licensed Washington retailers. A domestic winery may not arrange
3 for any such common carrier shipments to licensed retailers of wine
4 not of its own production. Except as provided in this section, any
5 winery operating as a distributor and/or retailer under this
6 subsection must comply with the applicable laws and rules relating to
7 distributors and/or retailers, except that a winery operating as a
8 distributor may maintain a warehouse off the premises of the winery
9 for the distribution of wine of its own production provided that: (a)
10 The warehouse has been approved by the board under RCW 66.24.010; and
11 (b) the number of warehouses off the premises of the winery does not
12 exceed one.

13 (4) (a) A domestic winery licensed under this section, at
14 locations separate from any of its production or manufacturing sites,
15 may serve samples of its own products, with or without charge, may
16 sell wine of its own production at retail, and may sell for off-
17 premises consumption wines of its own production in kegs or sanitary
18 containers meeting the applicable requirements of federal law brought
19 to the premises by the purchaser or furnished by the licensee and
20 filled at the tap at the time of sale, provided that: (i) Each
21 additional location has been approved by the board under RCW
22 66.24.010; (ii) the total number of additional locations does not
23 exceed four; (iii) a winery may not act as a distributor at any such
24 additional location; and (iv) any person selling or serving wine at
25 an additional location for on-premises consumption must obtain a
26 class 12 or class 13 alcohol server permit. Each additional location
27 is deemed to be part of the winery license for the purpose of this
28 title. At additional locations operated by multiple wineries under
29 this section, if the board cannot connect a violation of RCW
30 66.44.200 or 66.44.270 to a single licensee, the board may hold all
31 licensees operating the additional location jointly liable. Nothing
32 in this subsection may be construed to prevent a domestic winery from
33 holding multiple domestic winery licenses.

34 (b) A customer of a domestic winery may remove from the premises
35 of the domestic winery or from a tasting room location approved under
36 (a) of this subsection, recorked or recapped in its original
37 container, any portion of wine purchased for on-premises consumption.

38 (5) (a) A domestic winery licensed under this section may apply to
39 the board for an endorsement to sell wine of its own production at
40 retail for off-premises consumption at a qualifying farmers market.

1 The annual fee for this endorsement is seventy-five dollars. An
2 endorsement issued pursuant to this subsection does not count toward
3 the four additional retail locations limit specified in this section.

4 (b) For each month during which a domestic winery will sell wine
5 at a qualifying farmers market, the winery must provide the board or
6 its designee a list of the dates, times, and locations at which
7 bottled wine may be offered for sale. This list must be received by
8 the board before the winery may offer wine for sale at a qualifying
9 farmers market.

10 (c) The wine sold at qualifying farmers markets must be made
11 entirely from grapes grown in a recognized Washington appellation or
12 from other agricultural products grown in this state.

13 (d) Each approved location in a qualifying farmers market is
14 deemed to be part of the winery license for the purpose of this
15 title. The approved locations under an endorsement granted under this
16 subsection include tasting or sampling privileges subject to the
17 conditions pursuant to RCW 66.24.175. The winery may not store wine
18 at a farmers market beyond the hours that the winery offers bottled
19 wine for sale. The winery may not act as a distributor from a farmers
20 market location.

21 (e) Before a winery may sell bottled wine at a qualifying farmers
22 market, the farmers market must apply to the board for authorization
23 for any winery with an endorsement approved under this subsection to
24 sell bottled wine at retail at the farmers market. This application
25 shall include, at a minimum: (i) A map of the farmers market showing
26 all booths, stalls, or other designated locations at which an
27 approved winery may sell bottled wine; and (ii) the name and contact
28 information for the on-site market managers who may be contacted by
29 the board or its designee to verify the locations at which bottled
30 wine may be sold. Before authorizing a qualifying farmers market to
31 allow an approved winery to sell bottled wine at retail at its
32 farmers market location, the board must notify the persons or
33 entities of such application for authorization pursuant to RCW
34 66.24.010 (8) and (9). An authorization granted under this subsection
35 (5)(e) may be withdrawn by the board for any violation of this title
36 or any rules adopted under this title.

37 (f) The board may adopt rules establishing the application and
38 approval process under this section and such additional rules as may
39 be necessary to implement this section.

40 (g) For the purposes of this subsection:

1 (i) "Qualifying farmers market" means an entity that sponsors a
2 regular assembly of vendors at a defined location for the purpose of
3 promoting the sale of agricultural products grown or produced in this
4 state directly to the consumer under conditions that meet the
5 following minimum requirements:

6 (A) There are at least five participating vendors who are farmers
7 selling their own agricultural products;

8 (B) The total combined gross annual sales of vendors who are
9 farmers exceeds the total combined gross annual sales of vendors who
10 are processors or resellers. However, if a farmers market does not
11 satisfy this subsection (5)(g)(i)(B), a farmers market is still
12 considered a "qualifying farmers market" if the total combined gross
13 annual sales of farmers and processors at the farmers market is one
14 million dollars or more;

15 (C) The total combined gross annual sales of vendors who are
16 farmers, processors, or resellers exceeds the total combined gross
17 annual sales of vendors who are not farmers, processors, or
18 resellers;

19 (D) The sale of imported items and secondhand items by any vendor
20 is prohibited; and

21 (E) No vendor is a franchisee.

22 (ii) "Farmer" means a natural person who sells, with or without
23 processing, agricultural products that he or she raises on land he or
24 she owns or leases in this state or in another state's county that
25 borders this state.

26 (iii) "Processor" means a natural person who sells processed food
27 that he or she has personally prepared on land he or she owns or
28 leases in this state or in another state's county that borders this
29 state.

30 (iv) "Reseller" means a natural person who buys agricultural
31 products from a farmer and resells the products directly to the
32 consumer.

33 (6) Wine produced in Washington state by a domestic winery
34 licensee may be shipped out-of-state for the purpose of making it
35 into sparkling wine and then returned to such licensee for resale.
36 Such wine is deemed wine manufactured in the state of Washington for
37 the purposes of RCW 66.24.206, and shall not require a special
38 license.

39 (7) During an event held by a nonprofit holding a special
40 occasion license issued under RCW 66.24.380, a domestic winery

1 licensed under this section may take orders, either in writing or
2 electronically, and accept payment for wines of its own production
3 under the following conditions:

4 (a) Wine produced by the domestic winery may be served for on-
5 premises consumption by the special occasion licensee;

6 (b) The domestic winery delivers wine to the consumer on a date
7 after the conclusion of the special occasion event;

8 (c) The domestic winery delivers wine to the consumer at a
9 location different from the location at which the special occasion
10 event is held;

11 (d) The domestic winery complies with all requirements in chapter
12 66.20 RCW for direct sale of wine to consumers;

13 (e) The wine is not sold for resale; and

14 (f) The domestic winery is entitled to all proceeds from the sale
15 and delivery of its wine to a consumer after the conclusion of the
16 special occasion event, but may enter into an agreement to share a
17 portion of the proceeds of these sales with the special occasion
18 licensee licensed under RCW 66.24.380.

19 **Sec. 4.** RCW 66.24.240 and 2020 c 230 s 1 are each amended to
20 read as follows:

21 (1) (a) There shall be a license for domestic breweries; fee to be
22 two thousand dollars for production of sixty thousand barrels or more
23 of malt liquor per year.

24 (b) The annual fee in (a) of this subsection is waived during the
25 12-month period beginning with the second calendar month after the
26 effective date of this section for:

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

29 (ii) Licenses issued to persons previously licensed under this
30 section at any time during the 12-month period prior to the 12-month
31 waiver period under this subsection (1) (b).

32 (c) The waiver in (b) of this subsection does not apply to any
33 licensee that:

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

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

1 (d) Upon request of the department of revenue, the board and the
2 department of labor and industries must both provide a list of
3 persons that they have determined to be ineligible for a fee waiver
4 under (b) of this subsection for the reasons described in (c) of this
5 subsection. Unless otherwise agreed, any list must be received by the
6 department of revenue no later than 15 calendar days after the
7 request is made.

8 (2) Any domestic brewery, except for a brand owner of malt
9 beverages under RCW 66.04.010(7), licensed under this section may
10 also act as a distributor and/or retailer for beer of its own
11 production. Any domestic brewery operating as a distributor and/or
12 retailer under this subsection shall comply with the applicable laws
13 and rules relating to distributors and/or retailers. A domestic
14 brewery holding a spirits, beer, and wine restaurant license may sell
15 beer of its own production for off-premises consumption from its
16 restaurant premises in kegs or in a sanitary container brought to the
17 premises by the purchaser or furnished by the licensee and filled at
18 the tap by the licensee at the time of sale.

19 (3) Any domestic brewery licensed under this section may also
20 sell beer produced by another domestic brewery or a microbrewery for
21 on and off-premises consumption from its premises as long as the
22 other breweries' brands do not exceed twenty-five percent of the
23 domestic brewery's on-tap offering of its own brands.

24 (4) A domestic brewery may hold up to four retail licenses to
25 operate an on or off-premises tavern, beer and/or wine restaurant,
26 spirits, beer, and wine restaurant, or any combination thereof. This
27 retail license is separate from the brewery license. A brewery that
28 holds a tavern license, a spirits, beer, and wine restaurant license,
29 or a beer and/or wine restaurant license shall hold the same
30 privileges and endorsements as permitted under RCW 66.24.320,
31 66.24.330, and 66.24.420.

32 (5) Any domestic brewery licensed under this section may
33 contract-produce beer for a brand owner of malt beverages defined
34 under RCW 66.04.010(7), and this contract-production is not a sale
35 for the purposes of RCW 66.28.170 and 66.28.180.

36 (6)(a) A domestic brewery licensed under this section and
37 qualified for a reduced rate of taxation pursuant to RCW
38 66.24.290(3)(b) may apply to the board for an endorsement to sell
39 bottled beer of its own production at retail for off-premises

1 consumption at a qualifying farmers market. The annual fee for this
2 endorsement is seventy-five dollars.

3 (b) For each month during which a domestic brewery will sell beer
4 at a qualifying farmers market, the domestic brewery must provide the
5 board or its designee a list of the dates, times, and locations at
6 which bottled beer may be offered for sale. This list must be
7 received by the board before the domestic brewery may offer beer for
8 sale at a qualifying farmers market.

9 (c) The beer sold at qualifying farmers markets must be produced
10 in Washington.

11 (d) Each approved location in a qualifying farmers market is
12 deemed to be part of the domestic brewery license for the purpose of
13 this title. The approved locations under an endorsement granted under
14 this subsection do not include the tasting or sampling privilege of a
15 domestic brewery. The domestic brewery may not store beer at a
16 farmers market beyond the hours that the domestic brewery offers
17 bottled beer for sale. The domestic brewery may not act as a
18 distributor from a farmers market location.

19 (e) Before a domestic brewery may sell bottled beer at a
20 qualifying farmers market, the farmers market must apply to the board
21 for authorization for any domestic brewery with an endorsement
22 approved under this subsection to sell bottled beer at retail at the
23 farmers market. This application shall include, at a minimum: (i) A
24 map of the farmers market showing all booths, stalls, or other
25 designated locations at which an approved domestic brewery may sell
26 bottled beer; and (ii) the name and contact information for the on-
27 site market managers who may be contacted by the board or its
28 designee to verify the locations at which bottled beer may be sold.
29 Before authorizing a qualifying farmers market to allow an approved
30 domestic brewery to sell bottled beer at retail at its farmers market
31 location, the board shall notify the persons or entities of such
32 application for authorization pursuant to RCW 66.24.010 (8) and (9).
33 An authorization granted under this subsection (6)(e) may be
34 withdrawn by the board for any violation of this title or any rules
35 adopted under this title.

36 (f) The board may adopt rules establishing the application and
37 approval process under this section and such additional rules as may
38 be necessary to implement this section.

39 (g) For the purposes of this subsection:

1 (i) "Qualifying farmers market" means an entity that sponsors a
2 regular assembly of vendors at a defined location for the purpose of
3 promoting the sale of agricultural products grown or produced in this
4 state directly to the consumer under conditions that meet the
5 following minimum requirements:

6 (A) There are at least five participating vendors who are farmers
7 selling their own agricultural products;

8 (B) The total combined gross annual sales of vendors who are
9 farmers exceeds the total combined gross annual sales of vendors who
10 are processors or resellers;

11 (C) The total combined gross annual sales of vendors who are
12 farmers, processors, or resellers exceeds the total combined gross
13 annual sales of vendors who are not farmers, processors, or
14 resellers;

15 (D) The sale of imported items and secondhand items by any vendor
16 is prohibited; and

17 (E) No vendor is a franchisee.

18 (ii) "Farmer" means a natural person who sells, with or without
19 processing, agricultural products that he or she raises on land he or
20 she owns or leases in this state or in another state's county that
21 borders this state.

22 (iii) "Processor" means a natural person who sells processed food
23 that he or she has personally prepared on land he or she owns or
24 leases in this state or in another state's county that borders this
25 state.

26 (iv) "Reseller" means a natural person who buys agricultural
27 products from a farmer and resells the products directly to the
28 consumer.

29 (7) The state board of health shall adopt rules to allow dogs on
30 the premises of licensed domestic breweries that do not provide food
31 service subject to a food service permit requirement.

32 **Sec. 5.** RCW 66.24.244 and 2020 c 230 s 2 are each amended to
33 read as follows:

34 (1) (a) There shall be a license for microbreweries; fee to be one
35 hundred dollars for production of less than sixty thousand barrels of
36 malt liquor, including strong beer, per year.

37 (b) The annual fee in (a) of this subsection is waived during the
38 12-month period beginning with the second calendar month after the
39 effective date of this section for:

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

3 (ii) Licenses issued to persons previously licensed under this
4 section at any time during the 12-month period prior to the 12-month
5 waiver period under this subsection (1)(b).

6 (c) The waiver in (b) of this subsection does not apply to any
7 licensee that:

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

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

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

21 (2)(a) Any microbrewery licensed under this section may also act
22 as a distributor and/or retailer for beer and strong beer of its own
23 production.

24 (b) Any microbrewery operating as a distributor and/or retailer
25 under this subsection must comply with the applicable laws and rules
26 relating to distributors and/or retailers, except that a microbrewery
27 operating as a distributor may maintain a warehouse off the premises
28 of the microbrewery for the distribution of beer provided that:

29 (i) The warehouse has been approved by the board under RCW
30 66.24.010; and

31 (ii) The number of warehouses off the premises of the
32 microbrewery does not exceed one.

33 (c) A microbrewery holding a spirits, beer, and wine restaurant
34 license may sell beer of its own production for off-premises
35 consumption from its restaurant premises in kegs or in a sanitary
36 container brought to the premises by the purchaser or furnished by
37 the licensee and filled at the tap by the licensee at the time of
38 sale.

39 (3) Any microbrewery licensed under this section may also sell
40 from its premises for on-premises and off-premises consumption:

1 (a) Beer produced by another microbrewery or a domestic brewery
2 as long as the other breweries' brands do not exceed twenty-five
3 percent of the microbrewery's on-tap offerings; or

4 (b) Cider produced by a domestic winery.

5 (4) The board may issue up to four retail licenses allowing a
6 microbrewery to operate an on or off-premises tavern, beer and/or
7 wine restaurant, spirits, beer, and wine restaurant, or any
8 combination thereof.

9 (5) A microbrewery that holds a tavern license, spirits, beer,
10 and wine restaurant license, or a beer and/or wine restaurant license
11 holds the same privileges and endorsements as permitted under RCW
12 66.24.320, 66.24.330, and 66.24.420.

13 (6)(a) A microbrewery licensed under this section may apply to
14 the board for an endorsement to sell bottled beer of its own
15 production at retail for off-premises consumption at a qualifying
16 farmers market. The annual fee for this endorsement is seventy-five
17 dollars. However, strong beer may not be sold at a farmers market or
18 under any endorsement which may authorize microbreweries to sell beer
19 at farmers markets.

20 (b) For each month during which a microbrewery will sell beer at
21 a qualifying farmers market, the microbrewery must provide the board
22 or its designee a list of the dates, times, and locations at which
23 bottled beer may be offered for sale. This list must be received by
24 the board before the microbrewery may offer beer for sale at a
25 qualifying farmers market.

26 (c) Any person selling or serving beer must obtain a class 12 or
27 class 13 alcohol server permit.

28 (d) The beer sold at qualifying farmers markets must be produced
29 in Washington.

30 (e) Each approved location in a qualifying farmers market is
31 deemed to be part of the microbrewery license for the purpose of this
32 title. The approved locations under an endorsement granted under this
33 subsection (6) include tasting or sampling privileges subject to the
34 conditions pursuant to RCW 66.24.175. The microbrewery may not store
35 beer at a farmers market beyond the hours that the microbrewery
36 offers bottled beer for sale. The microbrewery may not act as a
37 distributor from a farmers market location.

38 (f) Before a microbrewery may sell bottled beer at a qualifying
39 farmers market, the farmers market must apply to the board for
40 authorization for any microbrewery with an endorsement approved under

1 this subsection (6) to sell bottled beer at retail at the farmers
2 market. This application must include, at a minimum: (i) A map of the
3 farmers market showing all booths, stalls, or other designated
4 locations at which an approved microbrewery may sell bottled beer;
5 and (ii) the name and contact information for the on-site market
6 managers who may be contacted by the board or its designee to verify
7 the locations at which bottled beer may be sold. Before authorizing a
8 qualifying farmers market to allow an approved microbrewery to sell
9 bottled beer at retail at its farmers market location, the board must
10 notify the persons or entities of the application for authorization
11 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under
12 this subsection (6)(f) may be withdrawn by the board for any
13 violation of this title or any rules adopted under this title.

14 (g) The board may adopt rules establishing the application and
15 approval process under this section and any additional rules
16 necessary to implement this section.

17 (h) For the purposes of this subsection (6):

18 (i) "Qualifying farmers market" has the same meaning as defined
19 in RCW 66.24.170.

20 (ii) "Farmer" means a natural person who sells, with or without
21 processing, agricultural products that he or she raises on land he or
22 she owns or leases in this state or in another state's county that
23 borders this state.

24 (iii) "Processor" means a natural person who sells processed food
25 that he or she has personally prepared on land he or she owns or
26 leases in this state or in another state's county that borders this
27 state.

28 (iv) "Reseller" means a natural person who buys agricultural
29 products from a farmer and resells the products directly to the
30 consumer.

31 (7) Any microbrewery licensed under this section may
32 contract-produce beer for another microbrewer. This contract-
33 production is not a sale for the purposes of RCW 66.28.170 and
34 66.28.180.

35 (8) The state board of health shall adopt rules to allow dogs on
36 the premises of licensed microbreweries that do not provide food
37 service subject to a food service permit requirement.

38 **Sec. 6.** RCW 66.24.320 and 2019 c 169 s 2 are each amended to
39 read as follows:

1 There shall be a beer and/or wine restaurant license to sell
2 beer, including strong beer, or wine, or both, at retail, for
3 consumption on the premises. A patron of the licensee may remove from
4 the premises, recorked or recapped in its original container, any
5 portion of wine or sake that was purchased for consumption with a
6 meal.

7 (1)(a) The annual fee shall be two hundred dollars for the beer
8 license, two hundred dollars for the wine license, or four hundred
9 dollars for a combination beer and wine license.

10 **(b) The annual fees in (a) of this subsection are waived during**
11 **the 12-month period beginning with the second calendar month after**
12 **the effective date of this section for:**

13 **(i) Licenses that expire during the 12-month waiver period under**
14 **this subsection (1)(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 (1)(b).**

18 **(c) The waivers in (b) of this subsection do 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 (2)(a) The board may issue a caterer's endorsement to this
34 license to allow the licensee to remove from the liquor stocks at the
35 licensed premises, only those types of liquor that are authorized
36 under the on-premises license privileges for sale and service at
37 event locations at a specified date and, except as provided in
38 subsection (3) of this section, place not currently licensed by the
39 board. If the event is open to the public, it must be sponsored by a
40 society or organization as defined by RCW 66.24.375. If attendance at

1 the event is limited to members or invited guests of the sponsoring
2 individual, society, or organization, the requirement that the
3 sponsor must be a society or organization as defined by RCW 66.24.375
4 is waived. Cost of the endorsement is three hundred fifty dollars.

5 (b) The holder of this license with a catering endorsement shall,
6 if requested by the board, notify the board or its designee of the
7 date, time, place, and location of any catered event. Upon request,
8 the licensee shall provide to the board all necessary or requested
9 information concerning the society or organization that will be
10 holding the function at which the endorsed license will be utilized.

11 (c) The holder of this license with a caterer's endorsement may,
12 under conditions established by the board, store liquor on the
13 premises of another not licensed by the board so long as there is a
14 written agreement between the licensee and the other party to provide
15 for ongoing catering services, the agreement contains no exclusivity
16 clauses regarding the alcoholic beverages to be served, and the
17 agreement is filed with the board.

18 (d) The holder of this license with a caterer's endorsement may,
19 under conditions established by the board, store liquor on other
20 premises operated by the licensee so long as the other premises are
21 owned or controlled by a leasehold interest by that licensee. A
22 duplicate license may be issued for each additional premises. A
23 license fee of twenty dollars shall be required for such duplicate
24 licenses.

25 (3) Licensees under this section that hold a caterer's
26 endorsement are allowed to use this endorsement on a domestic winery
27 premises or on the premises of a passenger vessel and may store
28 liquor at such premises under conditions established by the board
29 under the following conditions:

30 (a) Agreements between the domestic winery or the passenger
31 vessel, as the case may be, and the retail licensee shall be in
32 writing, contain no exclusivity clauses regarding the alcoholic
33 beverages to be served, and be filed with the board; and

34 (b) The domestic winery or passenger vessel, as the case may be,
35 and the retail licensee shall be separately contracted and
36 compensated by the persons sponsoring the event for their respective
37 services.

38 (4) The holder of this license or its manager may furnish beer or
39 wine to the licensee's employees free of charge as may be required
40 for use in connection with instruction on beer and wine. The

1 instruction may include the history, nature, values, and
2 characteristics of beer or wine, the use of wine lists, and the
3 methods of presenting, serving, storing, and handling beer or wine.
4 The beer and/or wine licensee must use the beer or wine it obtains
5 under its license for the sampling as part of the instruction. The
6 instruction must be given on the premises of the beer and/or wine
7 licensee.

8 (5) If the license is issued to a person who contracts with the
9 Washington state ferry system to provide food and alcohol service on
10 a designated ferry route, the license shall cover any vessel assigned
11 to the designated route. A separate license is required for each
12 designated ferry route.

13 **Sec. 7.** RCW 66.24.330 and 2017 c 252 s 1 are each amended to
14 read as follows:

15 (1) There is a beer and wine retailer's license to be designated
16 as a tavern license to sell beer, including strong beer, or wine, or
17 both, at retail, for consumption on the premises. Such licenses may
18 be issued only to a person operating a tavern that may be frequented
19 only by persons twenty-one years of age and older.

20 (2) (a) The annual fee for the license is two hundred dollars for
21 the beer license, two hundred dollars for the wine license, or four
22 hundred dollars for a combination beer and wine license. Licensees
23 who have a fee increase of more than one hundred dollars as a result
24 of this change shall have their fees increased fifty percent of the
25 amount the first renewal year and the remaining amount beginning with
26 the second renewal period. New licensees obtaining a license after
27 July 1, 1998, must pay the full amount of four hundred dollars.

28 (b) The annual fees in (a) of this subsection are waived during
29 the 12-month period beginning with the second calendar month after
30 the effective date of this section for:

31 (i) Licenses that expire during the 12-month waiver period under
32 this subsection (2) (b); and

33 (ii) Licenses issued to persons previously licensed under this
34 section at any time during the 12-month period prior to the 12-month
35 waiver period under this subsection (2) (b).

36 (c) The waivers in (b) of this subsection do not apply to any
37 licensee that:

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

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

5 (d) Upon request of the department of revenue, the board and the
6 department of labor and industries must both provide a list of
7 persons that they have determined to be ineligible for a fee waiver
8 under (b) of this subsection for the reasons described in (c) of this
9 subsection. Unless otherwise agreed, any list must be received by the
10 department of revenue no later than 15 calendar days after the
11 request is made.

12 (3) (a) The board may issue a caterer's endorsement to this
13 license to allow the licensee to remove from the liquor stocks at the
14 licensed premises, only those types of liquor that are authorized
15 under the on-premises license privileges for sale and service at
16 event locations at a specified date and, except as provided in
17 subsection (4) of this section, place not currently licensed by the
18 board. If the event is open to the public, it must be sponsored by a
19 society or organization as defined by RCW 66.24.375. If attendance at
20 the event is limited to members or invited guests of the sponsoring
21 individual, society, or organization, the requirement that the
22 sponsor must be a society or organization as defined by RCW 66.24.375
23 is waived. Cost of the endorsement is three hundred fifty dollars.

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

30 (c) The holder of this license with a caterer's endorsement may,
31 under conditions established by the board, store liquor on the
32 premises of another not licensed by the board so long as there is a
33 written agreement between the licensee and the other party to provide
34 for ongoing catering services, the agreement contains no exclusivity
35 clauses regarding the alcoholic beverages to be served, and the
36 agreement is filed with the board.

37 (d) The holder of this license with a caterer's endorsement may,
38 under conditions established by the board, store liquor on other
39 premises operated by the licensee so long as the other premises are
40 owned or controlled by a leasehold interest by that licensee. A

1 duplicate license may be issued for each additional premises. A
2 license fee of twenty dollars is required for such duplicate
3 licenses.

4 (4) Licensees under this section that hold a caterer's
5 endorsement are allowed to use this endorsement on a domestic winery
6 premises and may store liquor at such premises under conditions
7 established by the board under the following conditions:

8 (a) Agreements between the domestic winery and the retail
9 licensee must be in writing, contain no exclusivity clauses regarding
10 the alcoholic beverages to be served, and be filed with the board;
11 and

12 (b) The domestic winery and the retail licensee may be separately
13 contracted and compensated by the persons sponsoring the event for
14 their respective services.

15 (5) The holder of this license or its manager may furnish beer or
16 wine to the licensee's employees free of charge as may be required
17 for use in connection with instruction on beer and wine. The
18 instruction may include the history, nature, values, and
19 characteristics of beer or wine, the use of wine lists, and the
20 methods of presenting, serving, storing, and handling beer or wine.
21 The tavern licensee must use the beer or wine it obtains under its
22 license for the sampling as part of the instruction. The instruction
23 must be given on the premises of the tavern licensee.

24 (6) Any person serving liquor at a catered event on behalf of a
25 licensee with a caterer's endorsement under this section must be an
26 employee of the licensee and must possess a class 12 alcohol server
27 permit as required under RCW 66.20.310.

28 (7) The board may issue rules as necessary to implement the
29 requirements of this section.

30 **Sec. 8.** RCW 66.24.350 and 1997 c 321 s 20 are each amended to
31 read as follows:

32 (1) There shall be a beer retailer's license to be designated as
33 a snack bar license to sell beer by the opened bottle or can at
34 retail, for consumption upon the premises only, such license to be
35 issued to places where the sale of beer is not the principal business
36 conducted; fee one hundred twenty-five dollars per year.

37 (2)(a) The annual fee in subsection (1) of this section is waived
38 during the 12-month period beginning with the second calendar month
39 after the effective date of this section for:

1 (i) Licenses that expire during the 12-month waiver period under
2 this subsection (2) (a); and

3 (ii) Licenses issued to persons previously licensed under this
4 section at any time during the 12-month period prior to the 12-month
5 waiver period under this subsection (2) (a).

6 (b) The waiver in (a) of this subsection does not apply to any
7 licensee that:

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

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

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

21 **Sec. 9.** RCW 66.24.420 and 2009 c 271 s 7 are each amended to
22 read as follows:

23 (1) The spirits, beer, and wine restaurant license shall be
24 issued in accordance with the following schedule of annual fees:

25 (a) The annual fee for a spirits, beer, and wine restaurant
26 license shall be graduated according to the dedicated dining area and
27 type of service provided as follows:

28	Less than 50% dedicated dining area	\$2,000
29	50% or more dedicated dining area	\$1,600
30	Service bar only	\$1,000

31 (b) The annual fee for the license when issued to any other
32 spirits, beer, and wine restaurant licensee outside of incorporated
33 cities and towns shall be prorated according to the calendar
34 quarters, or portion thereof, during which the licensee is open for
35 business, except in case of suspension or revocation of the license.

36 (c) Where the license shall be issued to any corporation,
37 association or person operating a bona fide restaurant in an airport

1 terminal facility providing service to transient passengers with more
2 than one place where liquor is to be dispensed and sold, such license
3 shall be issued upon the payment of the annual fee, which shall be a
4 master license and shall permit such sale within and from one such
5 place. Such license may be extended to additional places on the
6 premises at the discretion of the board and a duplicate license may
7 be issued for each such additional place. The holder of a master
8 license for a restaurant in an airport terminal facility must
9 maintain in a substantial manner at least one place on the premises
10 for preparing, cooking, and serving of complete meals, and such food
11 service shall be available on request in other licensed places on the
12 premises. An additional license fee of twenty-five percent of the
13 annual master license fee shall be required for such duplicate
14 licenses.

15 (d) Where the license shall be issued to any corporation,
16 association, or person operating dining places at a publicly or
17 privately owned civic or convention center with facilities for
18 sports, entertainment, or conventions, or a combination thereof, with
19 more than one place where liquor is to be dispensed and sold, such
20 license shall be issued upon the payment of the annual fee, which
21 shall be a master license and shall permit such sale within and from
22 one such place. Such license may be extended to additional places on
23 the premises at the discretion of the board and a duplicate license
24 may be issued for each such additional place. The holder of a master
25 license for a dining place at such a publicly or privately owned
26 civic or convention center must maintain in a substantial manner at
27 least one place on the premises for preparing, cooking, and serving
28 of complete meals, and food service shall be available on request in
29 other licensed places on the premises. An additional license fee of
30 ten dollars shall be required for such duplicate licenses.

31 (e) The annual fees in this subsection (1) are waived during the
32 12-month period beginning with the second calendar month after the
33 effective date of this section for:

34 (i) Licenses that expire during the 12-month waiver period under
35 this subsection (1) (e); and

36 (ii) Licenses issued to persons previously licensed under this
37 section at any time during the 12-month period prior to the 12-month
38 waiver period under this subsection (1) (e).

39 (f) The waivers in (e) of this subsection do not apply to any
40 licensee that:

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

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

7 (g) Upon request of the department of revenue, the board and the
8 department of labor and industries must both provide a list of
9 persons that they have determined to be ineligible for a fee waiver
10 under (e) of this subsection for the reasons described in (f) of this
11 subsection. Unless otherwise agreed, any list must be received by the
12 department of revenue no later than 15 calendar days after the
13 request is made.

14 (2) The board, so far as in its judgment is reasonably possible,
15 shall confine spirits, beer, and wine restaurant licenses to the
16 business districts of cities and towns and other communities, and not
17 grant such licenses in residential districts, nor within the
18 immediate vicinity of schools, without being limited in the
19 administration of this subsection to any specific distance
20 requirements.

21 (3) The board shall have discretion to issue spirits, beer, and
22 wine restaurant licenses outside of cities and towns in the state of
23 Washington. The purpose of this subsection is to enable the board, in
24 its discretion, to license in areas outside of cities and towns and
25 other communities, establishments which are operated and maintained
26 primarily for the benefit of tourists, vacationers and travelers, and
27 also golf and country clubs, and common carriers operating dining,
28 club and buffet cars, or boats.

29 (4) The combined total number of spirits, beer, and wine
30 nightclub licenses, and spirits, beer, and wine restaurant licenses
31 issued in the state of Washington by the board, not including
32 spirits, beer, and wine private club licenses, shall not in the
33 aggregate at any time exceed one license for each one thousand two
34 hundred of population in the state, determined according to the
35 yearly population determination developed by the office of financial
36 management pursuant to RCW 43.62.030.

37 (5) Notwithstanding the provisions of subsection (4) of this
38 section, the board shall refuse a spirits, beer, and wine restaurant
39 license to any applicant if in the opinion of the board the spirits,

1 beer, and wine restaurant licenses already granted for the particular
2 locality are adequate for the reasonable needs of the community.

3 (6) (a) The board may issue a caterer's endorsement to this
4 license to allow the licensee to remove the liquor stocks at the
5 licensed premises, for use as liquor for sale and service at event
6 locations at a specified date and, except as provided in subsection
7 (7) of this section, place not currently licensed by the board. If
8 the event is open to the public, it must be sponsored by a society or
9 organization as defined by RCW 66.24.375. If attendance at the event
10 is limited to members or invited guests of the sponsoring individual,
11 society, or organization, the requirement that the sponsor must be a
12 society or organization as defined by RCW 66.24.375 is waived. Cost
13 of the endorsement is three hundred fifty dollars.

14 (b) The holder of this license with a catering endorsement shall,
15 if requested by the board, notify the board or its designee of the
16 date, time, place, and location of any catered event. Upon request,
17 the licensee shall provide to the board all necessary or requested
18 information concerning the society or organization that will be
19 holding the function at which the endorsed license will be utilized.

20 (c) The holder of this license with a caterer's endorsement may,
21 under conditions established by the board, store liquor on the
22 premises of another not licensed by the board so long as there is a
23 written agreement between the licensee and the other party to provide
24 for ongoing catering services, the agreement contains no exclusivity
25 clauses regarding the alcoholic beverages to be served, and the
26 agreement is filed with the board.

27 (d) The holder of this license with a caterer's endorsement may,
28 under conditions established by the board, store liquor on other
29 premises operated by the licensee so long as the other premises are
30 owned or controlled by a leasehold interest by that licensee. A
31 duplicate license may be issued for each additional premises. A
32 license fee of twenty dollars shall be required for such duplicate
33 licenses.

34 (7) Licensees under this section that hold a caterer's
35 endorsement are allowed to use this endorsement on a domestic winery
36 premises or on the premises of a passenger vessel and may store
37 liquor at such premises under conditions established by the board
38 under the following conditions:

39 (a) Agreements between the domestic winery or passenger vessel,
40 as the case may be, and the retail licensee shall be in writing,

1 contain no exclusivity clauses regarding the alcoholic beverages to
2 be served, and be filed with the board; and

3 (b) The domestic winery or passenger vessel, as the case may be,
4 and the retail licensee shall be separately contracted and
5 compensated by the persons sponsoring the event for their respective
6 services.

7 **Sec. 10.** RCW 66.24.495 and 1997 c 321 s 33 are each amended to
8 read as follows:

9 (1) (a) There shall be a license to be designated as a nonprofit
10 arts organization license. This shall be a special license to be
11 issued to any nonprofit arts organization which sponsors and presents
12 productions or performances of an artistic or cultural nature in a
13 specific theater or other appropriate designated indoor premises
14 approved by the board. The license shall permit the licensee to sell
15 liquor to patrons of productions or performances for consumption on
16 the premises at these events. The fee for the license shall be two
17 hundred fifty dollars per annum.

18 (b) The annual fee in (a) of this subsection is waived during the
19 12-month period beginning with the second calendar month after the
20 effective date of this section for:

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

23 (ii) Licenses issued to persons previously licensed under this
24 section at any time during the 12-month period prior to the 12-month
25 waiver period under this subsection (1) (b).

26 (c) The waiver in (b) of this subsection does not apply to any
27 licensee that:

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

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

34 (d) Upon request of the department of revenue, the board and the
35 department of labor and industries must both provide a list of
36 persons that they have determined to be ineligible for a fee waiver
37 under (b) of this subsection for the reasons described in (c) of this
38 subsection. Unless otherwise agreed, any list must be received by the

1 department of revenue no later than 15 calendar days after the
2 request is made.

3 (2) For the purposes of this section, the term "nonprofit arts
4 organization" means an organization which is organized and operated
5 for the purpose of providing artistic or cultural exhibitions,
6 presentations, or performances or cultural or art education programs,
7 as defined in subsection (3) of this section, for viewing or
8 attendance by the general public. The organization must be a not-for-
9 profit corporation under chapter 24.03 RCW and managed by a governing
10 board of not less than eight individuals none of whom is a paid
11 employee of the organization or by a corporation sole under chapter
12 24.12 RCW. In addition, the corporation must satisfy the following
13 conditions:

14 (a) No part of its income may be paid directly or indirectly to
15 its members, stockholders, officers, directors, or trustees except in
16 the form of services rendered by the corporation in accordance with
17 its purposes and bylaws;

18 (b) Salary or compensation paid to its officers and executives
19 must be only for actual services rendered, and at levels comparable
20 to the salary or compensation of like positions within the state;

21 (c) Assets of the corporation must be irrevocably dedicated to
22 the activities for which the license is granted and, on the
23 liquidation, dissolution, or abandonment by the corporation, may not
24 inure directly or indirectly to the benefit of any member or
25 individual except a nonprofit organization, association, or
26 corporation;

27 (d) The corporation must be duly licensed or certified when
28 licensing or certification is required by law or regulation;

29 (e) The proceeds derived from sales of liquor, except for
30 reasonable operating costs, must be used in furtherance of the
31 purposes of the organization;

32 (f) Services must be available regardless of race, color,
33 national origin, or ancestry; and

34 (g) The (~~liquor control~~) board shall have access to its books
35 in order to determine whether the corporation is entitled to a
36 license.

37 (3) The term "artistic or cultural exhibitions, presentations, or
38 performances or cultural or art education programs" includes and is
39 limited to:

1 (a) An exhibition or presentation of works of art or objects of
2 cultural or historical significance, such as those commonly displayed
3 in art or history museums;

4 (b) A musical or dramatic performance or series of performances;
5 or

6 (c) An educational seminar or program, or series of such
7 programs, offered by the organization to the general public on an
8 artistic, cultural, or historical subject.

9 **Sec. 11.** RCW 66.24.540 and 2012 c 2 s 114 are each amended to
10 read as follows:

11 (1) There is a retailer's license to be designated as a motel
12 license. The motel license may be issued to a motel regardless of
13 whether it holds any other class of license under this title. No
14 license may be issued to a motel offering rooms to its guests on an
15 hourly basis. The license authorizes the licensee to:

16 (a) Sell, at retail, in locked honor bars, spirits in individual
17 bottles not to exceed fifty milliliters, beer in individual cans or
18 bottles not to exceed twelve ounces, and wine in individual bottles
19 not to exceed one hundred eighty-seven milliliters, to registered
20 guests of the motel for consumption in guest rooms.

21 (i) Each honor bar must also contain snack foods. No more than
22 one-half of the guest rooms may have honor bars.

23 (ii) All spirits to be sold under the license must be purchased
24 from a spirits retailer or a spirits distributor licensee of the
25 board.

26 (iii) The licensee must require proof of age from the guest
27 renting a guest room and requesting the use of an honor bar. The
28 guest must also execute an affidavit verifying that no one under
29 twenty-one years of age has access to the spirits, beer, and wine in
30 the honor bar.

31 (b) Provide without additional charge, to overnight guests of the
32 motel, spirits, beer, and wine by the individual serving for on-
33 premises consumption at a specified regular date, time, and place as
34 may be fixed by the board. Self-service by attendees is prohibited.
35 All spirits, beer, and wine service must be done by an alcohol server
36 as defined in RCW 66.20.300 and comply with RCW 66.20.310.

37 (2) (a) The annual fee for a motel license is five hundred
38 dollars.

1 (b) The annual fee in (a) of this subsection is waived during the
2 12-month period beginning with the second calendar month after the
3 effective date of this section for:

4 (i) Licenses that expire during the 12-month waiver period under
5 this subsection (2) (b); and

6 (ii) Licenses issued to persons previously licensed under this
7 section at any time during the 12-month period prior to the 12-month
8 waiver period under this subsection (2) (b).

9 (c) The waiver in (b) of this subsection does not apply to any
10 licensee that:

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

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

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

24 (3) For the purposes of this section, "motel" means a transient
25 accommodation licensed under chapter 70.62 RCW.

26 **Sec. 12.** RCW 66.24.570 and 2011 c 119 s 205 are each amended to
27 read as follows:

28 (1) (a) There is a license for sports entertainment facilities to
29 be designated as a sports entertainment facility license to sell
30 beer, wine, and spirits at retail, for consumption upon the premises
31 only, the license to be issued to the entity providing food and
32 beverage service at a sports entertainment facility as defined in
33 this section. The cost of the license is two thousand five hundred
34 dollars per annum.

35 (b) The annual fee in (a) of this subsection is waived during the
36 12-month period beginning with the second calendar month after the
37 effective date of this section for:

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

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

4 (c) The waiver in (b) of this subsection does not apply to any
5 licensee that:

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

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

12 (d) Upon request of the department of revenue, the board and the
13 department of labor and industries must both provide a list of
14 persons that they have determined to be ineligible for a fee waiver
15 under (b) of this subsection for the reasons described in (c) of this
16 subsection. Unless otherwise agreed, any list must be received by the
17 department of revenue no later than 15 calendar days after the
18 request is made.

19 (2) For purposes of this section, a sports entertainment facility
20 includes a publicly or privately owned arena, coliseum, stadium, or
21 facility where sporting events are presented for a price of
22 admission. The facility does not have to be exclusively used for
23 sporting events.

24 (3) The board may impose reasonable requirements upon a licensee
25 under this section, such as requirements for the availability of food
26 and victuals including but not limited to hamburgers, sandwiches,
27 salads, or other snack food. The board may also restrict the type of
28 events at a sports entertainment facility at which beer, wine, and
29 spirits may be served. When imposing conditions for a licensee, the
30 board must consider the seating accommodations, eating facilities,
31 and circulation patterns in such a facility, and other amenities
32 available at a sports entertainment facility.

33 (4)(a) The board may issue a caterer's endorsement to the license
34 under this section to allow the licensee to remove from the liquor
35 stocks at the licensed premises, for use as liquor for sale and
36 service at event locations at a specified date and place not
37 currently licensed by the board. If the event is open to the public,
38 it must be sponsored by a society or organization as defined by RCW
39 66.24.375. If attendance at the event is limited to members or
40 invited guests of the sponsoring individual, society, or

1 organization, the requirement that the sponsor must be a society or
2 organization as defined by RCW 66.24.375 is waived. Cost of the
3 endorsement is three hundred fifty dollars.

4 (b) The holder of this license with catering endorsement shall,
5 if requested by the board, notify the board or its designee of the
6 date, time, place, and location of any catered event. Upon request,
7 the licensee shall provide to the board all necessary or requested
8 information concerning the society or organization that will be
9 holding the function at which the endorsed license will be utilized.

10 (5) The board may issue an endorsement to the beer, wine, and
11 spirits sports entertainment facility license that allows the holder
12 of a beer, wine, and spirits sports entertainment facility license to
13 sell for off-premises consumption wine vinted and bottled in the
14 state of Washington and carrying a label exclusive to the license
15 holder selling the wine. Spirits and beer may not be sold for off-
16 premises consumption under this section. The annual fee for the
17 endorsement under this section is one hundred twenty dollars.

18 (6)(a) A licensee and an affiliated business may enter into
19 arrangements with a manufacturer, importer, or distributor for brand
20 advertising at the sports entertainment facility or promotion of
21 events held at the sports entertainment facility, with a capacity of
22 five thousand people or more. The financial arrangements providing
23 for the brand advertising or promotion of events shall not be used as
24 an inducement to purchase the products of the manufacturer, importer,
25 or distributor entering into the arrangement nor shall it result in
26 the exclusion of brands or products of other companies.

27 (b) The arrangements allowed under this subsection (6) are an
28 exception to arrangements prohibited under RCW 66.28.305. The board
29 shall monitor the impacts of these arrangements. The board may
30 conduct audits of the licensee and the affiliated business to
31 determine compliance with this subsection (6). Audits may include but
32 are not limited to product selection at the facility; purchase
33 patterns of the licensee; contracts with the liquor manufacturer,
34 importer, or distributor; and the amount allocated or used for liquor
35 advertising by the licensee, affiliated business, manufacturer,
36 importer, or distributor under the arrangements.

37 (c) The board shall report to the appropriate committees of the
38 legislature by December 30, 2008, and biennially thereafter, on the
39 impacts of arrangements allowed between sports entertainment

1 licensees and liquor manufacturers, importers, and distributors for
2 brand advertising and promotion of events at the facility.

3 **Sec. 13.** RCW 66.24.580 and 2011 c 119 s 206 are each amended to
4 read as follows:

5 (1) A public house license allows the licensee:

6 (a) To annually manufacture no less than two hundred fifty
7 gallons and no more than two thousand four hundred barrels of beer on
8 the licensed premises;

9 (b) To sell product, that is produced on the licensed premises,
10 at retail on the licensed premises for consumption on the licensed
11 premises;

12 (c) To sell beer or wine not of its own manufacture for
13 consumption on the licensed premises if the beer or wine has been
14 purchased from a licensed beer or wine wholesaler;

15 (d) To apply for and, if qualified and upon the payment of the
16 appropriate fee, be licensed as a spirits, beer, and wine restaurant
17 to do business at the same location. This fee is in addition to the
18 fee charged for the basic public house license.

19 (2) RCW 66.28.305 applies to a public house license.

20 (3) A public house licensee must pay all applicable taxes on
21 production as are required by law, and all appropriate taxes must be
22 paid for any product sold at retail on the licensed premises.

23 (4) The employees of the licensee must comply with the provisions
24 of mandatory server training in RCW 66.20.300 through 66.20.350.

25 (5) The holder of a public house license may not hold a
26 wholesaler's or importer's license, act as the agent of another
27 manufacturer, wholesaler, or importer, or hold a brewery or winery
28 license.

29 (6) (a) The annual license fee for a public house is one thousand
30 dollars.

31 (b) The annual fee in (a) of this subsection is waived during the
32 12-month period beginning with the second calendar month after the
33 effective date of this section for:

34 (i) Licenses that expire during the 12-month waiver period under
35 this subsection (6) (b); and

36 (ii) Licenses issued to persons previously licensed under this
37 section at any time during the 12-month period prior to the 12-month
38 waiver period under this subsection (6) (b).

1 (c) The waiver in (b) of this subsection does not apply to any
2 licensee that:

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

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

9 (d) Upon request of the department of revenue, the board and the
10 department of labor and industries must both provide a list of
11 persons that they have determined to be ineligible for a fee waiver
12 under (b) of this subsection for the reasons described in (c) of this
13 subsection. Unless otherwise agreed, any list must be received by the
14 department of revenue no later than 15 calendar days after the
15 request is made.

16 (7) The holder of a public house license may hold other licenses
17 at other locations if the locations are approved by the board.

18 (8) Existing holders of annual retail liquor licenses may apply
19 for and, if qualified, be granted a public house license at one or
20 more of their existing liquor licensed locations without
21 discontinuing business during the application or construction stages.

22 **Sec. 14.** RCW 66.24.590 and 2012 c 2 s 115 are each amended to
23 read as follows:

24 (1) There is a retailer's license to be designated as a hotel
25 license. No license may be issued to a hotel offering rooms to its
26 guests on an hourly basis. Food service provided for room service,
27 banquets or conferences, or restaurant operation under this license
28 must meet the requirements of rules adopted by the board.

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

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

33 (b) Sell, at retail, from locked honor bars, in individual units,
34 spirits not to exceed fifty milliliters, beer in individual units not
35 to exceed twelve ounces, and wine in individual bottles not to exceed
36 three hundred eighty-five milliliters, to registered guests of the
37 hotel for consumption in guest rooms. The licensee must require proof
38 of age from the guest renting a guest room and requesting the use of
39 an honor bar. The guest must also execute an affidavit verifying that

1 no one under twenty-one years of age will have access to the spirits,
2 beer, and wine in the honor bar;

3 (c) Provide without additional charge, to overnight guests,
4 spirits, beer, and wine by the individual serving for on-premises
5 consumption at a specified regular date, time, and place as may be
6 fixed by the board. Self-service by attendees is prohibited;

7 (d) Sell beer, including strong beer, wine, or spirits, in the
8 manufacturer's sealed container or by the individual drink to guests
9 through room service, or through service to occupants of private
10 residential units which are part of the buildings or complex of
11 buildings that include the hotel;

12 (e) Sell beer, including strong beer, spirits, or wine, in the
13 manufacturer's sealed container at retail sales locations within the
14 hotel premises;

15 (f) Sell beer to a purchaser in a sanitary container brought to
16 the premises by the purchaser or furnished by the licensee and filled
17 at the tap in the restaurant area by the licensee at the time of
18 sale;

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

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

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

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

35 (5) All (~~on-premise~~—~~[on-premises]~~) on-premises alcoholic
36 beverage service must be done by an alcohol server as defined in RCW
37 66.20.300 and must comply with RCW 66.20.310.

38 (6) (a) The hotel license allows the licensee to remove from the
39 liquor stocks at the licensed premises, liquor for sale and service
40 at event locations at a specified date and place not currently

1 licensed by the board. If the event is open to the public, it must be
2 sponsored by a society or organization as defined by RCW 66.24.375.
3 If attendance at the event is limited to members or invited guests of
4 the sponsoring individual, society, or organization, the requirement
5 that the sponsor must be a society or organization as defined by RCW
6 66.24.375 is waived.

7 (b) The holder of this license must, if requested by the board,
8 notify the board or its designee of the date, time, place, and
9 location of any event. Upon request, the licensee must provide to the
10 board all necessary or requested information concerning the society
11 or organization that will be holding the function at which the
12 endorsed license will be utilized.

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

15 (7) The holder of this license or its manager may furnish
16 spirits, beer, or wine to the licensee's employees who are twenty-one
17 years of age or older free of charge as may be required for use in
18 connection with instruction on spirits, beer, and wine. The
19 instruction may include the history, nature, values, and
20 characteristics of spirits, beer, or wine, the use of wine lists, and
21 the methods of presenting, serving, storing, and handling spirits,
22 beer, or wine. The licensee must use the liquor it obtains under its
23 license for the sampling as part of the instruction. The instruction
24 must be given on the premises of the licensee.

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

32 (9) (a) The annual fee for this license is two thousand dollars.

33 (b) The annual fee in (a) of this subsection is waived during the
34 12-month period beginning with the second calendar month after the
35 effective date of this section for:

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

38 (ii) Licenses issued to persons previously licensed under this
39 section at any time during the 12-month period prior to the 12-month
40 waiver period under this subsection (9) (b).

1 (c) The waiver in (b) of this subsection does not apply to any
2 licensee that:

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

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

9 (d) Upon request of the department of revenue, the board and the
10 department of labor and industries must both provide a list of
11 persons that they have determined to be ineligible for a fee waiver
12 under (b) of this subsection for the reasons described in (c) of this
13 subsection. Unless otherwise agreed, any list must be received by the
14 department of revenue no later than 15 calendar days after the
15 request is made.

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

18 **Sec. 15.** RCW 66.24.600 and 2009 c 271 s 1 are each amended to
19 read as follows:

20 (1) There shall be a spirits, beer, and wine nightclub license to
21 sell spirituous liquor by the drink, beer, and wine at retail, for
22 consumption on the licensed premises.

23 (2) The license may be issued only to a person whose business
24 includes the sale and service of alcohol to the person's customers,
25 has food sales and service incidental to the sale and service of
26 alcohol, and has primary business hours between 9:00 p.m. and 2:00
27 a.m.

28 (3) Minors may be allowed on the licensed premises but only in
29 areas where alcohol is not served or consumed.

30 (4) (a) The annual fee for this license is two thousand dollars.
31 The fee for the license shall be reviewed from time to time and set
32 at such a level sufficient to defray the cost of licensing and
33 enforcing this licensing program. The fee shall be fixed by rule
34 adopted by the board in accordance with the provisions of the
35 administrative procedure act, chapter 34.05 RCW.

36 (b) The annual fee in (a) of this subsection is waived during the
37 12-month period beginning with the second calendar month after the
38 effective date of this section for:

1 (i) Licenses that expire during the 12-month waiver period under
2 this subsection (4) (b); and

3 (ii) Licenses issued to persons previously licensed under this
4 section at any time during the 12-month period prior to the 12-month
5 waiver period under this subsection (4) (b).

6 (c) The waiver in (b) of this subsection does not apply to any
7 licensee that:

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

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

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

21 (5) Local governments may petition the board to request that
22 further restrictions be imposed on a spirits, beer, and wine
23 nightclub license in the interest of public safety. Examples of
24 further restrictions a local government may request are: No minors
25 allowed on the entire premises, submitting a security plan, or
26 signing a good neighbor agreement with the local government.

27 (6) The total number of (~~spirits~~ [~~spirits~~]) spirits, beer, and
28 wine nightclub licenses are subject to the requirements of RCW
29 66.24.420(4). However, the board shall refuse a spirits, beer, and
30 wine nightclub license to any applicant if the board determines that
31 the spirits, beer, and wine nightclub licenses already granted for
32 the particular locality are adequate for the reasonable needs of the
33 community.

34 (7) The board may adopt rules to implement this section.

35 **Sec. 16.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to
36 read as follows:

37 (1) (a) There is a theater license to sell beer, including strong
38 beer, or wine, or both, at retail, for consumption on theater

1 premises. The annual fee is four hundred dollars for a beer and wine
2 theater license.

3 (b) The annual fee in (a) of this subsection is waived during the
4 12-month period beginning with the second calendar month after the
5 effective date of this section for:

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

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

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

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

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

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

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

31 (3) For the purposes of this section:

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

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

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

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

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

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

34 **Sec. 17.** RCW 66.24.655 and 2013 c 237 s 1 are each amended to
35 read as follows:

36 (1)(a) There is a theater license to sell spirits, beer,
37 including strong beer, or wine, or all, at retail, for consumption on
38 theater premises. A spirits, beer, and wine theater license may be
39 issued only to theaters that have no more than one hundred twenty

1 seats per screen and that are maintained in a substantial manner as a
2 place for preparing, cooking, and serving complete meals and
3 providing tabletop accommodations for in-theater dining. Requirements
4 for complete meals are the same as those adopted by the board in
5 rules pursuant to chapter 34.05 RCW for a spirits, beer, and wine
6 restaurant license authorized by RCW 66.24.400. The annual fee for a
7 spirits, beer, and wine theater license is two thousand dollars.

8 (b) The annual fee in (a) of this subsection is waived during the
9 12-month period beginning with the second calendar month after the
10 effective date of this section for:

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

13 (ii) Licenses issued to persons previously licensed under this
14 section at any time during the 12-month period prior to the 12-month
15 waiver period under this subsection (1)(b).

16 (c) The waiver in (b) of this subsection does not apply to any
17 licensee that:

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

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

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

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

36 (3) For the purposes of this section:

37 (a) "Alcohol control plan" means a written, dated, and signed
38 plan submitted to the board by an applicant or licensee for the
39 entire theater premises, or rooms or areas therein, that shows where
40 and when alcohol is permitted, where and when minors are permitted,

1 and the control measures used to ensure that minors are not able to
2 obtain alcohol or be exposed to environments where drinking alcohol
3 predominates.

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

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

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

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

33 (6) The maximum penalties prescribed by the board in WAC
34 314-29-020 relating to fines and suspensions are double for
35 violations involving minors or the failure to follow the alcohol
36 control plan with respect to theaters licensed under this section.

37 **Sec. 18.** RCW 66.24.680 and 2014 c 78 s 1 are each amended to
38 read as follows:

1 (1) There shall be a license to be designated as a senior center
2 license. This shall be a license issued to a nonprofit organization
3 whose primary service is providing recreational and social activities
4 for seniors on the licensed premises. This license shall permit the
5 licensee to sell spirits by the individual glass, including mixed
6 drinks and cocktails mixed on the premises only, beer and wine, at
7 retail for consumption on the premises.

8 (2) To qualify for this license, the applicant entity must:

9 (a) Be a nonprofit organization under chapter 24.03 RCW;

10 (b) Be open at times and durations established by the board; and

11 (c) Provide limited food service as defined by the board.

12 (3) All alcohol servers must have a valid mandatory alcohol
13 server training permit.

14 (4) The board shall adopt rules to implement this section.

15 (5) (a) The annual fee for this license shall be seven hundred
16 twenty dollars.

17 (b) The annual fee in (a) of this subsection is waived during the
18 12-month period beginning with the second calendar month after the
19 effective date of this section for:

20 (i) Licenses that expire during the 12-month waiver period under
21 this subsection (5) (b); and

22 (ii) Licenses issued to persons previously licensed under this
23 section at any time during the 12-month period prior to the 12-month
24 waiver period under this subsection (5) (b).

25 (c) The waiver in (b) of this subsection does not apply to any
26 licensee that:

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

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

33 (d) Upon request of the department of revenue, the board and the
34 department of labor and industries must both provide a list of
35 persons that they have determined to be ineligible for a fee waiver
36 under (b) of this subsection for the reasons described in (c) of this
37 subsection. Unless otherwise agreed, any list must be received by the
38 department of revenue no later than 15 calendar days after the
39 request is made.

1 **Sec. 19.** RCW 66.24.690 and 2014 c 29 s 1 are each amended to
2 read as follows:

3 (1) There shall be a caterer's license to sell spirits, beer, and
4 wine, by the individual serving, at retail, for consumption on the
5 premises at an event location that is either owned, leased, or
6 operated either by the caterer or the sponsor of the event for which
7 catering services are being provided. If the event is open to the
8 public, it must be sponsored by a society or organization as defined
9 in RCW 66.24.375. If attendance at the event is limited to members or
10 invited guests of the sponsoring individual, society, or
11 organization, the requirement that the sponsor must be a society or
12 organization as defined in RCW 66.24.375 is waived. The licensee must
13 serve food as required by rules of the board.

14 (2)(a) The annual fee is two hundred dollars for the beer
15 license, two hundred dollars for the wine license, or four hundred
16 dollars for a combination beer and wine license. The annual fee for a
17 combined beer, wine, and spirits license is one thousand dollars.

18 (b) The annual fees in (a) of this subsection are waived during
19 the 12-month period beginning with the second calendar month after
20 the effective date of this section for:

21 (i) Licenses that expire during the 12-month waiver period under
22 this subsection (2)(b); and

23 (ii) Licenses issued to persons previously licensed under this
24 section at any time during the 12-month period prior to the 12-month
25 waiver period under this subsection (2)(b).

26 (c) The waivers in (b) of this subsection do not apply to any
27 licensee that:

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

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

34 (d) Upon request of the department of revenue, the board and the
35 department of labor and industries must both provide a list of
36 persons that they have determined to be ineligible for a fee waiver
37 under (b) of this subsection for the reasons described in (c) of this
38 subsection. Unless otherwise agreed, any list must be received by the
39 department of revenue no later than 15 calendar days after the
40 request is made.

1 (3) The holder of this license shall notify the board or its
2 designee of the date, time, place, and location of any catered event
3 at which liquor will be served, sold, or consumed. The board shall
4 create rules detailing notification requirements. Upon request, the
5 licensee shall provide to the board all necessary or requested
6 information concerning the individual, society, or organization that
7 will be holding the catered function at which the caterer's liquor
8 license will be utilized.

9 (4) The holder of this license may, under conditions established
10 by the board, store liquor on other premises operated by the licensee
11 so long as the other premises are owned or controlled by a leasehold
12 interest by that licensee.

13 (5) The holder of this license is prohibited from catering events
14 at locations that are already licensed to sell liquor under this
15 chapter.

16 (6) The holder of this license is responsible for all sales,
17 service, and consumption of alcohol at the location of the catered
18 event.

19 NEW SECTION. **Sec. 20.** This act is necessary for the immediate
20 preservation of the public peace, health, or safety, or support of
21 the state government and its existing public institutions, and takes
22 effect immediately.

Passed by the Senate February 3, 2021.
Passed by the House February 23, 2021.
Approved by the Governor February 28, 2021.
Filed in Office of Secretary of State March 1, 2021.

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