

# FINAL BILL REPORT

## ESHB 1731

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Synopsis as Enacted

**Brief Description:** Concerning complimentary liquor by short-term rental operators.

**Sponsors:** House Committee on Regulated Substances & Gaming (originally sponsored by Representatives Waters, Stonier, Klicker, Low, Couture, Chambers, Ybarra, Barnard, Schmidt, McClintock, Santos and Hutchins).

**House Committee on Regulated Substances & Gaming**  
**Senate Committee on Labor & Commerce**

### **Background:**

The Washington State Liquor and Cannabis Board issues a variety of liquor licenses and permits authorizing the service, sale, or use of alcoholic beverages in different circumstances. Examples of available permits include a banquet permit, a permit for an event held at a business without a liquor license, a permit for nonprofit organizations to auction wine, and a permit for bed and breakfast lodging facilities to donate or serve wine or beer without charge to overnight guests.

A 2019 law regulating short-term rentals defines a "short-term rental" as a lodging use that is not a hotel, motel, or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than 30 consecutive nights. A short-term rental does not include any of the following:

- a dwelling unit that is occupied by the owner for at least six months during the calendar year and in which fewer than three rooms are rented at any time;
- a dwelling unit, or portion thereof, that is used by the same person for 30 or more consecutive nights; or
- a dwelling unit, or portion thereof, that is operated by an organization or government entity that is registered as a charitable organization with the Washington Secretary of State or is classified by the federal Internal Revenue Service as a public charity or a private foundation, and provides temporary housing to individuals who are being treated for trauma, injury, or disease, or their family members.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

Additionally, "operator" is defined under the 2019 law as any person who receives payment for owning or operating a dwelling unit, or portion thereof, as a short-term rental unit. The term "guest" is defined as any person or persons renting a short-term rental unit.

**Summary:**

An annual permit issued by the Washington State Liquor and Cannabis Board is established, authorizing a short-term rental operator with the new permit to provide a complimentary bottle of wine to rental guests who are age 21 or over. The annual permit fee is \$75.

A single permit applies to all rental properties owned or operated by the short-term rental operator and identified in the permit application. One complimentary bottle of wine per booking may be provided, regardless of the total number of rental guests.

The provision of the complimentary bottle of wine may occur only after an operator or staff person of the short-term rental, who is present at the short-term rental property, verifies that each rental guest who will consume the complimentary bottle of wine is age 21 or over by checking a valid form of identification of each rental guest at the time rental guests arrive.

The rental guests must be informed the rental guests are being offered one complimentary bottle of wine and that opening or consuming the bottle of wine in a public place is illegal. The rental guests must not have notified the operator that the rental guests decline the complimentary bottle of wine.

The complimentary bottle of wine may be consumed on the premises of the rental property or removed and consumed off the premises of the rental property.

A permit holder may purchase wine from wine distributors, retailers, and other suppliers of wine authorized to sell wine at retail to consumers for off-premises consumption.

For purposes of the new liquor permit, the terms "short-term rental," "operator," and "guest" have the same meanings as in the 2019 law regulating short-term rentals.

**Votes on Final Passage:**

House	90	7	
Senate	46	1	(Senate amended)
House	86	10	(House concurred)

**Effective:** July 23, 2023