

**Title 314 WAC
LIQUOR CONTROL BOARD**

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**Chapter 314-08 WAC
PRACTICE AND PROCEDURE**

WAC

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WAC 314-08-160 Subpoenas--Issuance to parties.

(1) Upon application of counsel or other representative appearing before the board pursuant to WAC 314-08-010(3) for any party to a contested case, there shall be issued to such party subpoenas requiring the attendance and testimony of witnesses or the production of evidence in such proceeding: *Provided, however,* That such subpoenas may be issued with like effect by the attorney of record of the party to the contested case in whose behalf the witness is required to appear, and the form of such subpoena in each case may be the same as when issued by the board except that it shall only be subscribed by the signature of such attorney.

(2) The board may issue subpoenas to licensees in contested case proceedings who are not represented by counsel or other representative upon request and or upon a showing of general relevance and reasonable scope of the testimony or evidence sought. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-19-116 (Order 81, Resolution 90), § 314-08-160, filed 9/23/81; Resolution No. 2, Rule 08.160, filed 6/13/63.]

WAC 314-08-180 Subpoenas--Fees. As provided by RCW 66.24.010(3), witnesses shall be allowed fees and mileage each way to and from any such inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.04.105, as now or hereafter amended. Fees need not be paid in advance of appearance of witnesses

to testify or to produce books, records, or other legal evidence. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-19-116 (Order 81, Resolution 90), § 314-08-180, filed 9/23/81; Resolution No. 2, Rule 08.180, filed 6/13/63.]

Chapter 314-12 WAC

GENERAL--APPLICABLE TO ALL LICENSEES

WAC

- 314-12-010 License does not grant vested right.
- 314-12-033 Limited partnerships.
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WAC 314-12-010 License does not grant vested right. The issuance of any license by the board shall not be construed as granting a vested right in any of the privileges so conferred, and a misrepresentation of fact found to have been made by the applicant or a licensee shall be deemed a lack of good faith and shall constitute good and sufficient cause for the disapproval of an application or the revocation or suspension of said license by the board. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-031 (Order 98, Resolution No. 107), § 314-12-010, filed 1/27/82; Rule 1, filed 6/13/63.]

WAC 314-12-033 Limited partnerships. In the licensing of limited partnerships, the following will apply:

(1) The limited partnership business to be licensed shall be controlled by a general partner or partners who shall qualify as "copartners" under RCW 66.24.010.

(2) A limited partner shall not be considered within the meaning of the term "copartner" as used in RCW 66.24.010(2) if the limited partner has less than a ten percent ownership interest, of an investment type only, in the business to be licensed and has no control over the operation of the business either individually or collectively with other limited partners.

(3) As a required part of an application for the licensing of a limited partnership, all general partners shall submit affidavits specifying the nature of the interests of any and all limited partners in the business and certifying that no limited partner has any control, either individually or collectively with other limited partners, over the operation of the business to be licensed and further certifying that no limited partner has any financial interest which would be disqualifying under RCW 66.28.010. Similar affidavits may be required, in the discretion of the board, from any limited partner about whom there exists any question concerning ownership interest in, or control of, the business to be licensed or about whom there exists any question concerning possibly disqualifying financial interests under RCW 66.28.010. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-13-105 (Order 105, Resolution No. 114), § 314-12-033, filed 6/23/82.]

WAC 314-12-035 Furnishing of information and/or documentation to the board--Oath required--Form of affidavit. (1) In order to facilitate the administration and/or enforcement of RCW 66.24.010, licensees, applicants for licenses, or the agents or representatives thereof shall furnish to the board copies of all documents affecting the ownership and/or proposed operation of the premises licensed or sought to be licensed. These documents shall be furnished with the original license application, with any application for transfer of license, and at such other times as may be requested by the board. Licensees, applicants for licenses, or the agents or representatives thereof, shall furnish along with these documents a signed written summary of any oral agreements which affect the ownership and/or proposed operation of the premises licensed, or sought to be licensed. Failure or refusal to furnish said requested documentation will be good and sufficient cause for denial of any application in support of which the documentation was requested, and will be good and sufficient cause for revocation of any license held by a licensee who fails or refuses to furnish the said requested documentation.

(2) Written information and/or documentation requested by the board from any person for the purpose of administering and/or enforcing RCW 66.24.010 shall be submitted to the board along with an affidavit in the form provided in subsection (3) or (4) hereof, whichever is appropriate, which shall be signed by the person submitting the information, given under oath subject to the penalties of perjury, and certifying that all information and/or documentation being furnished is true, accurate and complete.

(3) Where the person furnishing information and/or documentation to the board is a licensee, an applicant for a license, or the agent or representative of such a licensee or applicant, the affidavit referenced in subsection (2) above shall be in the following form:

"AFFIDAVIT OF LICENSEE, APPLICANT FOR
LICENSE OR AGENT OR REPRESENTATIVE
THEREOF, CONCERNING DOCUMENTATION
OF OWNERSHIP INTERESTS IN LICENSED
PREMISES AND/OR BUSINESS

I, _____, having been duly sworn upon oath depose and say:

That I have read the following specifically identified application and/or documents which are herewith submitted by me to the board through its authorized representative for the purpose of inducing official action by the board:

(List application by date and documents by type and date)

That I am authorized to submit the application and/or documents on behalf of the licensee or applicant for a license, as the case may be.

That to the best of my knowledge all of the information on said specifically identified application and/or documents is true, accurate and complete.

That there are no oral agreements of any kind whatsoever which modify the provisions of the said specifically identified application and/or documents other than those which are fully disclosed in the said application and/or documents.

That the true identity of all persons or other entities who do, or will, have an interest in the business licensed, or sought to be licensed, have been fully disclosed to the board; all such interests being fully described in the said application and/or documents whether such interests result from open loans, mortgages, conditional sales contracts, silent partnerships, trusts, or from any other source whatsoever except open trade accounts incurred in the ordinary course of business.

That I am aware that RCW 9A.72.030 provides that it is a crime (Class C Felony) for a person, with intent to mislead a public servant in the performance of his duty, to make under an oath required or authorized by law a materially false statement, knowing it to be false.

Name _____

Title _____

Sole Proprietor,
Corporate Officer
Shareholder, Partner,
Manager, Agent, Etc.

Date _____

SUBSCRIBED AND SWORN TO Before me this ____ day of _____ 1981.

Notary Public in and for
the state of _____
residing at _____."

(4) Where the person furnishing information and/or documentation to the board is some person other than a licensee or applicant for a license, and the person is not acting as the agent or representative of such a licensee or applicant, the affidavit referenced in subsection (2) above shall be in the following form:

"AFFIDAVIT OF PERSON OTHER THAN A LICENSEE, OR APPLICANT FOR A LICENSE, RELATING TO INFORMATION AND/OR DOCUMENTATION FURNISHED TO THE BOARD

I, _____, having been duly sworn upon oath depose and say:

That I have read the following specifically identified documents which are herewith submitted by me to the board through its authorized representative for the purpose of inducing official action by the board:

(List documents by type and date)

That to the best of my knowledge all of the information on said specifically identified documents is true, accurate and complete.

That there are no oral agreements of any kind whatsoever which modify the provisions of the said specifically identified documents other than those which are fully disclosed in the said specifically identified documents.

That I am aware that RCW 9A.72.030 provides that it is a crime (Class C Felony) for a person, with intent to mislead a public servant in the performance of his duty, to make under an oath required or authorized by law a materially false statement, knowing it to be false.

Name _____

Title _____

- Sole Proprietor,
Corporate Officer
Shareholder, Partner,
Manager, Agent, Etc.

Date _____

SUBSCRIBED AND SWORN TO Before me this ___ day of _____ 1981.

Notary Public in and for the state of _____ residing at _____."

(5) For the purpose of effectively obtaining information concerning any matter relating to the administration or enforcement of Title 66 RCW, any person providing books, records, or other documents to a person appointed in writing by the board pursuant to RCW 66.08.130 and 66.08.140 for the purposes specified in those statutes, shall provide the board at the same time with an affidavit in the following form:

"AFFIDAVIT OF PERSON PROVIDING BOOKS, RECORDS OR OTHER DOCUMENTS FOR INSPECTION BY THE BOARD PURSUANT TO RCW 66.08.130 OR 66.08.140

I, _____, having been duly sworn upon oath depose and say:

That I have produced the following specifically identified books, records and other documents for inspection by the board, through its authorized representative, in compliance with RCW 66.08.130 and/or 66.08.140:

(List books, records or other documents by type and date)

That I am aware of no other books, records or documents which come within the purview of the request made for production under RCW 66.08.130 or 66.08.140 other than those which have been produced, except the following:

(Insert "none" or describe the other books, records or documents)

That to the best of my knowledge all of the documents which I have provided to the authorized representative of the board are true, correct, and complete, except the following:

(Insert "none" or identify specific documents and describe in what manner they are untrue, incorrect, or incomplete)

That to the best of my knowledge there are no oral agreements of any kind whatsoever which modify the provisions of any of the books, records and/or other documents produced by me other than those which are summarized below:

(Insert "none" or summarize each and every such oral agreement)

That I am aware that RCW 9A.72.030 provides that it is a crime (Class C Felony) for a person, with intent to mislead a public servant in the performance of his

duty, to make under an oath required or authorized by law a materially false statement, knowing it to be false.

Name _____

Title _____

Sole Proprietor,
Corporate Officer
Shareholder, Partner,
Manager, Agent, Etc.

Date _____

SUBSCRIBED AND SWORN TO Before me this ____ day of _____ 1981.

Notary Public in and for
the state of _____
residing at _____."

[Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-032 (Order 99, Resolution No. 108), § 314-12-035, filed 1/27/82.]

WAC 314-12-040 Prorating and refunding of fees--Discontinuance of business. (1) Unless otherwise provided by law, there will be no prorating of any license fee.

(2) Upon denial or withdrawal of an application for license, adoption or change of trade name, or change of location, the fee tendered therewith shall be returned.

(3) When a license is suspended or cancelled, or the licensed business is discontinued, no refund of the license fee shall be made.

(4) Upon discontinuance of business for twenty-one days or more by a licensee, he shall forthwith deliver up his license to the board, or representative of the board. A licensee who is not operating as a seasonal business and who has voluntarily discontinued sale of liquor in excess of forty-five days will not be eligible for renewal of license for a subsequent year unless sale of liquor under the license is resumed on a permanent basis prior to the beginning of the next subsequent licensing period. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-10-020 (Order 103, Resolution No. 112), § 314-12-040, filed 4/28/82; Rule 3, filed 6/13/63.]

WAC 314-12-070 Transfer of licenses. (1) No transfer of any license shall be made except in conformance with RCW 66.24.010, and subject to the following conditions:

(a) The holder of the license shall execute an assignment and transfer upon a form prescribed by the board, and the assignee and transferee shall then make application for approval of such assignment and transfer;

(b) the transferee shall not take possession of the premises, nor exercise any of the privileges of a licensee, nor shall such assignment and transfer be effective until the board shall have approved the same;

(c) in approving any assignment and transfer of licenses, the board reserves the right to impose special

conditions as to the future connection of the former licensee or any of his employees with the licensed business as in its judgment the circumstances may justify;

(d) a change of trade name may be made coincident with the transfer of the license without any additional fee.

(2) The sale of a partnership interest or any change in the partners, either by withdrawal or addition or otherwise, shall be considered an assignment and transfer of the licenses held by the partnership and subject to the regulations applicable to assignment and transfer of licenses.

(3) If the licensee is a corporation, a change in ownership of any stock shall not be deemed a transfer of a license: *Provided, however,* That pursuant to the provisions of RCW 66.24.025(2), the proposed sale of more than ten percent of the outstanding and/or issued stock of a licensed corporation or any proposed change in the principal officers of a licensed corporation must be reported to the board on forms prescribed by it. The board may inquire into all matters in connection with any such sale of stock or proposed change in officers, and the written consent of the board must be obtained before any such changes are made.

(4) If a licensee has an unresolved violation charge pending, no action will be taken by the board on an application to transfer the liquor license to another until such time as a final disposition has been made of the pending violation charge. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-12-070, filed 10/28/81; Order 55, § 314-12-070, filed 5/31/77, effective 7/1/77; Rule 6, filed 6/13/63.]

WAC 314-12-090 Change of management. No change shall be made in the management of any licensed business until written consent of the board has been obtained. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-12-090, filed 10/28/81; Rule 8, filed 6/13/63.]

**Chapter 314-16 WAC
RETAIL LICENSEES**

- WAC
- 314-16-060 Curb service prohibited.
- 314-16-110 Liquor purchases by Class H licensees.
- 314-16-122 Licensee-employees--Prohibited conduct with patrons.
- 314-16-125 Suggestive, lewd and/or obscene conduct on licensed premises.
- 314-16-160 Records--Purchases--Reports.
- 314-16-195 Class H restricted--Qualifications.
- 314-16-200 Minimum qualifications for issuance of Class E, F, and Classes EF licenses.
- 314-16-210 Class H license fees in unincorporated areas--Seasonal operations--Prorating fees.
- 314-16-220 Class F licensees--Principal business sale of wine for off-premises consumption--Authorization for selling or serving samples.
- 314-16-230 Authorization for sale of wine in unopened bottles for off-premises consumption under Class J license.

WAC 314-16-060 Curb service prohibited. No retail liquor licensee, or employee thereof, shall provide, furnish, sell, or supply liquor by means of "drive-in" and/or "curb service." [Statutory Authority: RCW 66.08.030, 66.98.070, and Title 34 RCW. 81-21-024 (Order 87, Resolution 96), § 314-16-060, filed 10/14/81; 80-15-111 (Order 75, Resolution 84), § 314-16-060, filed 10/22/80; Order 53, § 314-16-060, filed 2/15/77, effective 3/18/77; Order 4, § 314-16-060, filed 7/9/69, effective 8/11/69; Rule 21, filed 6/13/63.]

WAC 314-16-110 Liquor purchases by Class H licensees. (1) Any employee authorized by the board may sell spirituous liquor at a discount of fifteen percent from the retail price fixed by the board, together with all taxes, to any Class H licensee upon presentation to such employee at the time of purchase of a special permit issued by the board to such licensee or through such other means of insuring identification of the authorized purchaser as are approved by the board: *Provided, however,* That prior to license delivery, a new licensee or transferee may, with board authorization, be sold Class H discount liquor for the purpose of stocking the premises. The employee shall at the time of selling any spirituous liquor to a Class H licensee make a record of the liquor so sold, together with the name of the Class H licensee making the purchase.

(2) Every Class H licensee, upon purchasing any spirituous liquor from the board, shall immediately cause such liquor to be delivered to his licensed premises, and he shall not thereafter remove or permit to be removed from said premises any bottle or other container containing such liquor, except pursuant to chapter 314-70 WAC or to return it to a state liquor store or agency, nor shall he dispose or allow to be disposed the liquor contained therein in any manner except as authorized by his license. The possession of any bottle or other container purchased from the board at a discount by any person other than the Class H licensee who purchased the same, or the possession thereof at any place which is not the licensed premises of the licensee who purchased such liquor, shall be prima facie evidence that the Class H licensee unlawfully permitted the removal thereof from his licensed premises: *Provided,* That a Class H licensee who permanently discontinues business, other than as a result of a legal restraint action, may remove open bottles of liquor from the premises for personal use upon payment to the board of an amount to be determined by the board in lieu of the Class H discount and tax exemption in effect at that time.

(3) No Class H licensee shall keep in or on the licensed premises any spirituous liquor in any bottle or other container other than the bottle or container in which it was purchased from the board at a discount: *Provided, however,* That notwithstanding any other provision of Title 314 WAC, a Class H licensee may display antique, unusual, or unique liquor bottles with or without liquor on the licensed premises if such bottles are used as part of the decor, and any such bottles containing liquor are locked securely in display cases, and are not for sale.

(4) No person, including anyone acting as the agent for another other than a Class H licensee shall keep or possess any bottle or other container containing spirituous liquor which was purchased from the board at a discount except as provided in subsection (2) of this section.

(5) All spirituous liquor in and on the licensed premises shall be made available at all times by every Class H licensee for inspection by the board, and such licensee shall permit any authorized inspector of the board to make such tests or analyses, by spirit hydrometer or otherwise, as the inspector deems proper. Such inspectors are authorized to seize as evidence any bottles or other containers and the contents thereof which they have determined have been reused, refilled, tampered with, adulterated, diluted, fortified or substituted. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 83-01-029 (Order 116, Resolution No. 125), § 314-16-110, filed 12/8/82. Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-16-110, filed 8/9/82; Order 50, § 314-16-110, filed 11/30/76, effective 12/31/76; Order 19, § 314-16-110, filed 8/10/72; Rule 26, filed 6/13/63.]

WAC 314-16-122 Licensee-employees--Prohibited conduct with patrons. (1) No retail licensee, and no servant, agent or employee thereof shall employ or contract with any person to solicit a patron for any beverage and/or to accept any beverage from a patron in or upon the licensed premises and to receive therefor, either directly or indirectly, any commission, remuneration or compensation.

(2) No retail licensee, and no servant, agent or employee thereof shall employ or contract with any person for the purpose of having such person dance with a patron, or for the purpose of having such person spend time with a patron in or upon the licensed premises and for which, said servant, agent or employee is to receive, either directly or indirectly, any commission, remuneration, or compensation.

(3) As used in subsections (1) and (2) of this section, the terms "employee," "servant," and "agent" are intended to have a broad and general meaning so as to include any person performing services in or on a retail liquor licensed premises and whose work is under some control and/or direction of the licensee. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-23-039 (Order 83, Resolution No. 92), § 314-16-122, filed 11/18/81.]

WAC 314-16-125 Suggestive, lewd and/or obscene conduct on licensed premises. The following acts or conduct on licensed premises are prohibited:

(1) To employ or use any person in the sale or service of alcoholic beverages in or upon the licensed premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the breast below the top of the areola or of any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals.

(2) To employ or use the services of any hostess or other person to mingle with the patrons while such hostess or other person is unclothed or in such attire, costume or clothing as described in subsection (1) above.

(3) To encourage or permit any person on the licensed premises to touch, caress or fondle the breasts, buttocks, anus or genitals of any other person.

(4) To permit any employee or person to wear or use any device or covering, exposed to view, which simulates the breast, genitals, anus, pubic hair or any portion thereof.

(5) To permit any person to perform acts of or acts which simulate:

(a) Sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law.

(b) The touching, caressing or fondling of the breast, buttocks, anus or genitals.

(c) The displaying of the pubic hair, anus, vulva or genitals.

(6) Subject to subsection (5) herein, to permit entertainers whose breast and/or buttocks are exposed to view to perform elsewhere on the licensed premises except upon a stage at least eighteen inches above the immediate floor level and removed at least six feet from the nearest patron.

(7) Subject to subsection (5) herein, to permit any dancer-entertainer to perform on the licensed premises except when removed at least six feet from the nearest patron. This subsection shall not be applied to performances of traditional ethnic dancing such as belly dancing, flamenco dancing, Hawaiian, or Tahitian dancing, etc., performed in restaurant, hotel, or club licensed premises, provided that the following conditions are met:

(a) That the licensee shall have applied for and received written approval of the board for such activity.

(b) That the dancers shall be compensated by the licensee.

(c) The licensee shall keep and have available for inspection by the board, or any peace officer, at all reasonable times, a list of all traditional ethnic dancers employed at the licensed premises. Such list shall be retained for a period of thirty days after termination of employment and shall designate the following information with respect to each entertainer:

(i) True name and professional or stage name, if any;

(ii) Residence address and phone number;

(iii) Social security number;

(iv) Terms of the agreement of employment; and

(v) Signature of both the licensee and the dancer.

(d) That a person employed as a traditional ethnic dancer at a licensed premises shall not act as an employee in any other public capacity such as a waiter, waitress, host/hostess, etc., in connection with the sale or service of liquor at that licensed premises.

(e) The dance performances authorized by this subsection shall be those performed for the enjoyment of the general audience of the licensee and not for individual patrons.

(8) To permit any person to use artificial devices or inanimate objects to depict any of the prohibited activities described above.

(9) To permit any person to remain in or upon the licensed premises who exposes to public view any portion of his or her genitals or anus.

(10) To permit the showing of film, still pictures, electronic reproduction, or other visual reproductions depicting:

(a) Acts or simulated acts of sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law.

(b) Any person being touched, caressed or fondled on the breast, buttocks, anus or genitals.

(c) Scenes wherein a person displays the vulva or the anus or the genitals.

(d) Scenes wherein artificial devices or inanimate objects are employed to depict, or drawings are employed to portray, any of the prohibited activities described above.

(11) Nothing in this rule is intended to modify the provisions of RCW 66.28.080 concerning city or county dancing or music permits.

(12) Notwithstanding any of the provisions of this rule, no licensee shall employ, use the services of, or permit upon his licensed premises, any entertainment or person whose attire or conduct is in violation of any city or county ordinance.

(13) The occurrence of any of the above acts or conduct, whether permitted on the part of a licensee or his employees or agents or any other persons under the control or direction of the licensee or his employees or agents, shall constitute good and sufficient cause for cancellation of license privileges.

(14) If any provision of this rule or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are severable. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-22-069 (Order 115, Resolution No. 124), § 314-16-125, filed 11/2/82; 81-23-039 (Order 83, Resolution No. 92), § 314-16-125, filed 11/18/81; Order 34, § 314-16-125, filed 6/24/75.]

WAC 314-16-160 Records--Purchases--Reports.

(1) The originals or copies of all purchase invoices and other memoranda covering all purchases of liquor by retail licensees showing (a) items purchased, (b) quantities thereof, (c) from whom purchased, and (d) purchase date, shall be kept for at least two years after each purchase, and shall be filed separately and kept apart from all other records, and as nearly as possible shall be filed in consecutive order and each month's records kept separate so as to render the same readily available for inspection and copying. All canceled checks, bank statements and books of account covering or involving the purchase of liquor, and all memoranda, if any, showing payment of money for liquor other than by

check, shall be likewise preserved for two years and shall be at all times kept available for inspection and copying.

(2) No retail licensee shall buy or accept delivery of liquor except for cash paid at the time of the delivery thereof: *Provided*, That in individual and particular cases, upon consent of the board first had and obtained, in writing, a retail licensee may pay cash prior to delivery of liquor purchased.

(3) No retail licensee shall purchase beer from a beer wholesaler at a price differing from the price for the package or container of beer as shown in the price posting filed in accordance with WAC 314-20-100.

(4) A retail licensee shall only purchase wine from a state liquor store or agency or from a duly licensed wine wholesaler except as provided in chapter 314-70 WAC. No wine shall be purchased from a wine wholesaler at a price differing from the price for the container of wine as shown in the price posting filed in accordance with WAC 314-24-190. No retail licensee may return wine to a wine wholesaler except in accordance with the provisions of WAC 314-24-210.

(5) Each retail licensee shall keep books and records which will clearly reflect all financial transactions and the financial condition of the business.

(6) Any retail licensee may maintain microfilm records containing reproductions (including microfiche) of any record, document, or report if first approved by the board. Request for approval shall be directed to the Washington state liquor control board and must include the following information:

- (a) Records proposed to be reproduced.
- (b) Reproduction process.
- (c) Manner of preserving the reproduction.
- (d) Facilities provided for examining or viewing such reproduction.

If the request is approved, the licensee shall provide for the examining, viewing and reproduction of such records the same as if they were the original records.

(7) If a retail licensee keeps records within an automatic data processing (ADP) system, the system must include a method for producing from punchcards or from other machine-sensible data media legible records that will provide the same information required of that type of record within this section. The ADP system is acceptable if it complies with the following guidelines:

(a) Provides an audit trail so that details (invoices and vouchers) underlying the summary accounting data may be identified and made available upon request.

(b) Provides the opportunity to trace any transaction back to the original source or forward to a final total. If printouts of transactions are not made when they are processed, the system must have the ability to reconstruct these transactions.

(c) Has available a full description of the ADP portion of the accounting system. This should show the applications being performed, the procedures employed in each application and the controls used to ensure accurate and reliable processing.

(8) All Class H licensees in addition to the requirements of subsection (1) of this section shall at all times:

(a) Maintain records of all purchases for the premises, including liquor, food and supplies. The purchases supported by supplier invoices or signed vouchers are to be segregated as to type and recorded.

(b) Maintain records of all sales in the premises from all sources including liquor, food and miscellaneous items and service. Individual sales are to be recorded on sales slips or cash register tape in such a manner to indicate the source of revenue and the records are to be filed for future audit purposes. Sales segregated as to source of revenue are to be recorded.

(c) Preserve for a period of two years the records described in subsections (6), (7), and (8)(a) and (b) of this section.

(d) Make such periodic reports to the board covering purchases, sales and inventory of liquor, food and supplies as may be prescribed or requested by the board.

(e) Keep available for inspection and copying by the board and/or its accredited representatives all books and records relative to purchases, sales and inventories of liquor, food and supplies. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-16-160, filed 8/9/82; Order 24, § 314-16-160, filed 6/28/73; Order 5, § 314-16-160, filed 8/7/69, effective 9/8/69; Rule 32, filed 6/13/63.]

WAC 314-16-195 Class H restricted—Qualifications. (1) Class H restricted licensees shall govern their operations in selling liquor in accordance with the regulations set forth in Title I and II. Such licensees may sell liquor in accordance with these regulations, only to members, invited guests, and holders of cards as authorized by subsection (3) of this section. Class H restricted licensees shall not be prohibited from renting, leasing, or donating all or a portion of their facilities for, or making services available to, an activity where the public is invited or admitted under the conditions specified in subsection (4) of this section.

(2)(a) Applications for new Class H restricted licenses shall be on forms prescribed by the board and shall be accompanied by proof that:

(i) The business has been in operation for at least one year immediately prior to the date of its application. Such proof should include records of membership as well as an indication as to numbers and types of membership.

(ii) Membership or admission will not be denied to any person because of race, creed, color, national origin, sex or the presence of any sensory, mental or physical handicap.

(b) Applications for renewal shall be made on forms prescribed by the board and shall be accompanied by such information as the board may request.

(c) Class H restricted applicants and licensees must meet the provisions of WAC 314-16-190(1), (2), (3), (4), (5) and (7).

(3)(a) Guest privilege cards may be issued only as follows:

(i) For Class H restricted licensees within the limits of any city or town, only to those persons residing outside of an area ten miles from the limits of such city or town.

(ii) For Class H restricted licensees outside of any city or town only to those persons residing outside an area fifteen miles from the location of such licensee: *Provided*, That where such area limitation encroaches upon the limits of any city or town, the entire corporate limits of such city or town shall be included in the prohibited area.

(iii) Such guest privilege cards shall be issued for a reasonable period and must be numbered serially, with a record of the issuance of each such card to be filed on the licensed premises in such a manner as to be readily accessible for inspection.

(iv) The mileage restrictions in (i) and (ii) of this subsection may be waived for special events upon written approval of the board.

(b) Guests may be introduced when accompanied at all times by a member and may remain as long as such member is present: *Provided*, That any such guest may only enjoy the privileges of the organization a reasonable number of times in any one calendar year.

(c) Persons who are members in good standing of a licensed Class H restricted organization may enjoy the privileges of any other licensed Class H restricted organization: *Provided*, That the operating rules of such organization authorize reciprocal privileges: *Provided further*, That (a) and (b) of this subsection shall not apply to members of such organizations while exercising reciprocal privileges.

(4) If the licensee at any time rents any portion of the premises for any purpose other than to their membership or at any time holds any function within the premises to which the public is generally invited or admitted, then such portion devoted to liquor service must be closed to the public generally and no one admitted therein except for bona fide members and guests. If the premises does not have an area which can be so closed, then no liquor service whatever may be permitted during the entire time when such activity is taking place or when the public is generally admitted in the premises. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-13-069 (Order 107, Resolution No. 116), § 314-16-195, filed 6/16/82.]

WAC 314-16-200 Minimum qualifications for issuance of Class E, F, and Classes EF licenses. (1) The following are minimum qualifications necessary prior to consideration being given by the board to the issuance of Class E, F, or Classes EF licenses to store operations. The decision as to whether a license will or will not be issued in a particular case is, pursuant to RCW 66.24-.010, a matter of board discretion. While the following minimum qualifications must be present before the board will give consideration to the issuance of a Class E, F, or Classes EF license to an applicant, the mere fact that an applicant meets these minimum qualifications is not to be construed as creating a vested right in the applicant to have a license issued.

(2) Before the board will issue a Class E, F, or Classes EF license to an applicant grocery store, the

proposed licensed premises must be stocked with an inventory of food, grocery and related grocery store items in excess of \$3,000 wholesale value.

(3) Grocery stores which also sell gasoline or apply for board approval to install gasoline pumps in connection with their businesses must be stocked with an inventory of food, grocery and related grocery store items, exclusive of gasoline, oil, auto parts, and related gas station or garage items, in excess of \$7,500 wholesale value before the board will issue to them a Class E, F, or Classes EF license or grant approval to install gas pumps at their licensed premises. *Provided*, That marinas which sell gasoline for use in boats only shall be subject to the requirements of subsection (2) above.

(4) The minimum amounts referred to in paragraphs (2) and (3) above shall be maintained at the premises at all times they are licensed with the exception of beginning and closing inventory for seasonal operations or when the inventory is being sold out immediately prior to discontinuing or selling the business.

(5) Stores other than grocery stores must submit to the board a written commitment to establish and maintain a minimum wholesale inventory of wine in the amount of \$3,000 prior to the issuance of a license. This minimum inventory shall be maintained at the licensed premises at all times they are licensed.

(6) *Provided*, That subsections (2), (3), (4) and (5) of this regulation shall not apply to stores licensed prior to the effective date of this regulation unless on that date they do meet the minimum inventory figures required by those subsections. *Provided further*, That upon a change of the ownership of these licensed stores, it will be necessary for the requirements of this regulation to be met prior to the issuance of a new license. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-10-019 (Order 102, Resolution No. 111), § 314-16-200, filed 4/28/82; Order 55, § 314-16-200, filed 5/31/77, effective 7/1/77.]

WAC 314-16-210 Class H license fees in unincorporated areas--Seasonal operations--Prorating fees. (1) The provisions of RCW 66.24.420(1)(c) which provide for prorated fees according to the calendar quarters for Class H licensees outside of incorporated cities and towns pertains to those Class H licensees who have seasonal operations only.

(2) As required by RCW 66.24.010(5)(c), Class H licensees outside of incorporated cities and towns who operate on a year-round basis or who are open for a period of time during each calendar quarter are required to submit a full year's fee. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-16-210, filed 10/28/81.]

WAC 314-16-220 Class F licensees--Principal business sale of wine for off-premises consumption--Authorization for selling or serving samples. (1) Class F licensees whose business is primarily the sale of wine at retail, who desire authorization under RCW 66.24.370 to serve on their premises free or for a charge, single serving samples of two ounces or less must, prior to

commencing such sales or service, obtain written approval from the board.

(2) To demonstrate to the satisfaction of the board that the Class F licensee's primary business is and continues to be the sale of wine at retail, the board may require the licensee to make periodic reports concerning the licensee's sales and inventory. A Class F licensee's gross retail sales of wine, not to be consumed on premises, must exceed fifty percent of all gross sales for the entire business of said licensee in order to be considered by the board as a business whose primary business is the sale of wine.

(3) No more than one sample of any single brand and type of wine, and no more than four samples, may be furnished or sold to a customer or patron during any one visit to the licensed premises.

(4) The sampling privileges authorized by RCW 66.24.370 as implemented by this section of the rules are not to be a substitute for or an alternative to the on-premises consumption of wine that is authorized under RCW 66.24.340 or 66.24.400. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-16-220, filed 10/28/81.]

WAC 314-16-230 Authorization for sale of wine in unopened bottles for off-premises consumption under Class J license. (1) Authorization for the sale of unopened bottles and original packages of wine not to be consumed on the premises where sold, at an additional fee of ten dollars per day, as authorized by RCW 66.24.500, must be applied for to the board at the time the society or organization makes application for the Class J license, and the board's written approval is required before any such sales are made.

(2) Board approval for the sales authorized in subsection (1) of this section shall be granted by the board upon the condition that no more than twelve liters may be sold to any one purchaser under a single Class J license. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-16-230, filed 10/28/81.]

**Chapter 314-18 WAC
BANQUET PERMITS**

WAC	
314-18-010	Banquet permits—Authorized.
314-18-020	Definitions.
314-18-030	Applicants—Retail liquor licensees ineligible— Exceptions.
314-18-040	Issuance fee—Restrictions.
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314-18-070	Responsibilities of permittee.
314-18-080	Hours of operation—Inspection of premises.
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314-18-100	Penalties.

WAC 314-18-010 Banquet permits—Authorized. Pursuant to the provisions of RCW 66.20.010, the board

may issue banquet permits in accordance with the following rules. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-010, filed 8/4/82.]

WAC 314-18-020 Definitions. In this chapter unless the context otherwise requires:

(1) "Permit" means a banquet permit authorized by RCW 66.20.010(3).

(2) "Banquet"

(a) Means any event not open to the general public to be held or conducted at a specific place upon a specific date where the persons in attendance will have some common purpose or interest, either business or social or a combination thereof, for attending;

(b) Does not mean or refer to an event or affair requiring the presence or service of food as might be construed in the more formal sense of that term; nor is there any implication that such events are limited to any specific number of times that they may be held or conducted, if the applicants are qualified and the events are conducted in conformance with this chapter;

(c) Is not intended to refer to or be applicable to an event, affair, or occasion held in the privacy of a person's home. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-020, filed 8/4/82.]

WAC 314-18-030 Applicants—Retail liquor licensees ineligible—Exceptions. (1) Any person twenty-one years of age or older, either for himself/herself or in a representative capacity on behalf of a society, organization, or business entity, may apply for a banquet permit which authorizes the service and consumption of liquor at a specific place upon a specific date.

(2) Retail liquor licensees are NOT eligible to apply for banquet permits for events to be held at, in, or upon such licensee's premises: *Provided, however,* That the licensee's ineligibility will not apply:

(a) When the application is by an established organization of members or auxiliary within a licensed club;

(b) Where grand openings, or special openings following new construction or substantial alterations, or when conventions are to be held on the licensed premises;

(c) Where special occasions such as employee Christmas parties, business anniversaries, etc. are held on the licensed premises;

(d) For functions held at locations other than the licensed premises.

(3) Banquet permits may be issued to qualified applicants for private functions on a chartered bus, chartered boat, chartered plane, or a chartered passenger car on a train.

(4) A banquet permit is not required for beer or wine sampling conducted in accordance with RCW 66.28.040 as implemented by chapter 314-64 WAC.

(5) The board interprets and will apply the relevant portions of the Liquor Act (RCW 66.20.010, 66.04.010(23), 66.04.010(26), 66.24.480, 66.24.481, and

66.44.100), reading them in pari materia, as not requiring a banquet permit to be obtained by an individual for a function when that individual is not acting with a business purpose or on behalf of an organization or business entity, where each of the following conditions are met:

(a) The function to be held by the individual is of a personal, noncommercial type which would normally be held in the individual's private home but for space considerations. Examples being a birthday party, wedding reception, bar mitzvah, etc. In lieu of holding the function in his or her home, the individual has arranged for use of a facility which is to be closed off from the public during the function and which is not on any licensed premises.

(b) The function is hosted by the individual personally. That is, there is no charge in any manner whatsoever for attendance, whether by admission charge, donation, dues, fees, or otherwise, and there is no charge in any manner whatsoever for anything provided at the function (i.e., mixer, setups, ice, food, hors d'oeuvres, etc.).

(c) That there is no business purpose for the function and that no pecuniary gain is intended or realized by the individual from the holding of the function.

(d) That those persons attending the function are the personal invitees of the individual holding it. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-030, filed 8/4/82.]

WAC 314-18-040 Issuance fee--Restrictions. (1) Banquet permits may be issued by the board's stores and agencies to qualified applicants on forms provided by the board; the fee for each banquet permit will be ten dollars.

(2) Except for outdoor areas, banquet permits will only be issued for use at premises that are or can be arranged so that the general public can be excluded therefrom.

(3) Where the application is for a banquet to be held either partially or wholly out-of-doors, the following restrictions will apply:

(a) State parks: State parks are exempt from the law requiring a license or permit to consume liquor in a public place (RCW 66.04.011). Banquet permits shall not be issued for the service and consumption of liquor in state parks.

(b) City and county parks: Applicants will be issued banquet permits only upon presentation of written approval from the appropriate local authority for the banquet applied for.

(c) Commercial parks (privately owned and operated): Store and agency managers may issue banquet permits for use in such commercial parks even though the event is to be held partly or wholly out-of-doors.

(d) All other outdoor areas: Issuance is conditioned upon approval of the area liquor enforcement officer.

(4) Where the application is for a banquet permit for an event to be held on a college or university campus or

upon the premises of an elementary or high school, public or private; permits will be issued provided that approval, in writing, by an appropriate official of the college, university, elementary, or high school is furnished with the application.

(5) Banquet permits will not be issued:

(a) For use at premises that have a license issued by the board that is or will be suspended on the date of the scheduled banquet.

(b) For functions held in a tavern.

(6) The event for which the banquet permit application is made cannot be open to the public through general admission ticket sales.

(7) The event for which the banquet permit application is made cannot be open to the public or advertised to the public.

(8) Approval of the area enforcement officer is required for banquet permits intended for use in the cocktail lounge facilities or tap rooms of Class A, C, D, or H licensed premises, including hotels, restaurants, and clubs, unless the entire premises under the control of the licensee is devoted to the banquet, and then only if all licensee liquor is removed from view and securely isolated. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-040, filed 8/4/82.]

WAC 314-18-050 Sale of liquor--Not authorized.

(1) A banquet permit does not authorize the sale of liquor for cash, credit, check, scrip, or in any manner whatever: *Provided, however,* That the cost of the occasion to those attending, if any, may be included in the total price for the banquet, in which event, to assure participants receiving an equal share, an allocation based upon a distribution of tickets exchangeable for drinks as a part of the package price is permissible.

(2) The prohibition provided for in subsection (1) of this section extends to the sale of mixers, ice, or "set-ups" if the prices charged therefor are unrelated to the cost of such goods and/or services and approximate what the charge for a drink containing liquor would be.

(3) Liquor cannot be raffled off or offered as a prize at an event for which a banquet permit has been issued. (Such disposition would constitute a "sale" of liquor as that term is defined in RCW 66.04.010(27)). [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-050, filed 8/4/82.]

WAC 314-18-060 Liquor to be served and consumed--Restrictions. (1) Class H discount liquor or military discount liquor cannot be sold, served, or consumed under or by authority of a banquet permit. Liquor to be served will be purchased from an authorized retail source only.

(2) Licensees and/or commercial caterers shall not pay for or advance the moneys to purchase the liquor for the event for which the banquet permit application has been made, but they may transport the prepaid liquor

purchased by the applicant to whom the banquet permit was issued.

(3) No banquet permittee may buy or accept delivery of liquor from any manufacturer, brewer, wholesaler, distiller, winery, importer, or agent thereof.

(4) It is not necessary for a banquet permit applicant to purchase liquor at the time the permit is issued, and individuals attending a banquet function may bring their own liquor. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-060, filed 8/4/82.]

WAC 314-18-070 Responsibilities of permittee. (1) No banquet permittee, or employee thereof, may knowingly permit the service to or consumption of liquor by any person under the age of twenty-one years who is present at the event for which a banquet permit has been issued.

(2) No banquet permittee, or employee thereof, may knowingly permit any disorderly conduct to occur or serve or permit the consumption of liquor by an apparently intoxicated person(s) on the premises for which a banquet permit has been issued.

(3) The banquet permit shall be posted in a conspicuous place at the premises for which the permit was issued during all times the permit is in use. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-070, filed 8/4/82.]

WAC 314-18-080 Hours of operation—Inspection of premises. (1) Banquet permits may be issued for any day and may authorize the service and consumption of liquor between the hours of 6:00 a.m. and 2:00 a.m. of the following day, except on New Year's Day, when the hour of closing may be extended to 3:00 a.m.

(2) Any premises where a banquet permit has been granted shall be open to inspection by any peace officer or enforcement officer of the board to the same extent as provided for in WAC 314-12-120. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-080, filed 8/4/82.]

WAC 314-18-090 Misrepresentation on application—Consequences. A misrepresentation of fact found to have been made by an applicant for any banquet permit shall be deemed a lack of good faith and shall constitute good and sufficient cause for the disapproval of such application or for the cancellation of said permit if the event for which the permit has been granted has not yet been held, or for the immediate termination of the permit if the event for which the permit has been issued is in progress. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-090, filed 8/4/82.]

WAC 314-18-100 Penalties. In addition to the general penalties provided by law (RCW 66.44.175 and 66.44.180) for the violation of board regulations, the board, upon a finding that a banquet permittee has violated any of the regulations of this chapter, may, in its discretion:

(1) Cancel or terminate the permit.

(2) Hold the applicant and/or the premises for which the banquet permit was issued ineligible for future banquet permits. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-16-100 (Order 110 and 112, Resolution No. 119 and 121), § 314-18-100, filed 8/4/82.]

Chapter 314-20 WAC

BEER—BREWERS, HOLDERS, IMPORTERS, ETC.

WAC

314-20-010	Brewers—Importers—Wholesalers—Monthly reports—Tax refund procedures.
314-20-015	Licensed brewers—Retail sales of beer on brewery premises—Beer served without charge on premises—Class H restaurant operation.
314-20-070	Bad order claims—Replacement of overaged beer—Procedures.
314-20-100	Beer wholesale price posting.
314-20-105	Beer suppliers' price filings, contracts and memoranda.
314-20-160	Importer of foreign beer—Certificate of approval required—Reports—Payment of tax.

WAC 314-20-010 Brewers—Importers—Wholesalers—Monthly reports—Tax refund procedures. (1) The holders of licenses to manufacture malt liquors within the state of Washington and holders of certificates of approval and importers who import malt liquors manufactured outside the United States must at all times when said licenses or certificates of approval are in force have in effect and on file with the board a bond executed by any surety authorized to do business in the state of Washington, in form and amount acceptable to the board, which bond shall be payable to the Washington state liquor control board and conditioned that such licensee or holder of certificate of approval will pay to the board the tax levied by virtue of RCW 66.24.290 (sec. 24 of the Washington State Liquor Act).

(2) Every person, firm or corporation holding a license to manufacture malt liquors within the state of Washington shall, in addition to the statement required to be made by RCW 66.24.280 (sec. 23F (1) of the Washington State Liquor Act), on or before the twentieth day of each month make a report to the board upon forms furnished by the board, of all sales of beer in and out of the state during the preceding calendar month, and shall at the same time pay to the board the tax due thereon including beer furnished as samples to authorized licensees for the purpose of negotiating a sale as provided in RCW 66.28.040.

(3) Every person, firm or corporation holding a license to import beer into the state of Washington shall make a report to the board, upon forms furnished by the board, on or before the twentieth day of each month of all beer

imported into the state during the preceding calendar month, and shall at the same time pay to the board the tax due thereon: *Provided, however*, That said tax shall be paid on behalf of the importer of such beer by the holders of certificates of approval at the time that said holders of certificates of approval furnish to the board the report required under RCW 66.24.270 and WAC 314-20-170: *Provided further*, That the report method of payment of tax shall be exclusive of any other method. In the event beer has been imported into the state of Washington upon which the tax has not been paid, or payment arranged as herein provided, the beer importer shall pay the tax due thereon including beer received and/or furnished as samples to authorized licensees for the purpose of negotiating a sale as provided in RCW 66.28.040.

(4) Failure to make such report or pay said tax at the time prescribed will be sufficient ground for the board to forthwith suspend or cancel the license privilege of the delinquent brewer or importer or the certificate of approval of the brewer located outside the state of Washington. A two percent penalty per month, or portion of a month, will be assessed on any tax payments postmarked after the twentieth day following the month of sale. In addition, in case of any such delinquency, the board shall immediately give notice to the surety on such brewer's, importer's or certificate of approval holder's bond and shall take such action as is thereafter deemed necessary by the board to collect any of said tax which it finds is due.

(5) In consideration of the foregoing requirements, revenue stamps evidencing payment of said tax shall not be used on any package containing beer manufactured by brewers within the state or imported into the state by a beer importer, nor shall it be required that "in transit" stamps be affixed to packages containing any beer manufactured in the state of Washington when the same is exported directly to a point outside the geographical confines of the state by such manufacturers. Neither shall it be required that "in transit" stamps be affixed to packages of beer being shipped in interstate commerce from one point outside this state, through this state, to another point outside the geographical confines of this state. In the case of beer manufactured by a brewer within the state or imported into the state of Washington by a beer importer and either sold to beer wholesalers for export from the state or exported directly by the importer, such manufacturer or importer must either pay the tax on beer so sold or affix "in transit" stamps, if not previously affixed, to all packages containing such beer, as provided in WAC 314-20-040(1).

(6) Beer wholesalers or beer importers who export beer to a point outside the geographical confines of the state of Washington upon which the tax imposed by RCW 66.24.290 has been paid may claim a refund or tax credit of said tax on forms prescribed and furnished by the board. For the purpose of this regulation, beer sold and delivered to interstate commercial common passenger carriers holding licenses pursuant to chapter 245, Laws of 1975 1st ex. sess., or for use within the

confines of any military reservation over which the state does not exercise jurisdiction shall be considered exported from the state. Such tax shall not be paid on beer being shipped in interstate commerce from a point outside this state directly through the state to another point outside the geographical confines of this state. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-20-010, filed 10/28/81; Order 40, § 314-20-010, filed 8/21/75; Order 8, § 314-20-010, filed 11/24/69, effective 12/26/69; Rule 37, filed 6/13/63.]

WAC 314-20-015 Licensed brewers--Retail sales of beer on brewery premises--Beer served without charge on premises--Class H restaurant operation. (1) A licensed brewer holding a proper retail license, pursuant to chapter 66.24 RCW, may sell beer of its own production at retail on the brewery premises: *Provided*, That beer so sold at retail shall be subject to the tax and penalty for late payment, if any, as imposed by RCW 66.24.290, and to reporting and bonding requirements as prescribed in RCW 66.28.010 and WAC 314-20-010.

(2) In selling beer at retail, as provided in subsection (1) of this regulation, a brewer shall conduct such operation in conformity with the statutes and regulations applicable to holders of such beer retailers' licenses. The brewer shall maintain records of such retail operation separate from other brewery records.

(3) Upon written authorization of the board, pursuant to RCW 66.04.011, beer of a licensed brewer's own production may be consumed in designated parks and picnic areas adjacent to and held by the same ownership as the licensed brewer.

(4) A licensed brewer or a lessee of a licensed brewer operating a Class H restaurant, licensed pursuant to RCW 66.28.010, shall conduct such operation in conformity with the statutes and regulations which apply to holders of such Class H licenses.

(5) A brewer may serve beer without charge on the brewery premises, as authorized by RCW 66.28.040. Such beer served without charge as provided herein is not subject to the tax imposed by RCW 66.24.290.

(6) No retail license or fee is required for the holder of a brewer's license to serve beer without charge on the brewery premises as set forth in subsection (5) of this regulation. Before exercising this privilege, however, such brewer shall obtain approval of the proposed service area and facilities from the board. Such brewer shall maintain a separate record of all beer so served. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-20-015, filed 10/28/81; Order 61, § 314-20-015, filed 12/6/77; Order 40, § 314-20-015, Rule 37.5, filed 8/21/75.]

WAC 314-20-070 Bad order claims--Replacement of overaged beer--Procedures. Bad order claims shall be made, adjusted and record thereof preserved as follows:

(1) No bad order claim shall be allowed except by a brewer or beer importer;

(2) No bad order claim shall be accepted unless the same shall be made by the retailer within ten days after the defect in the beer or container has been discovered;

(3) No bad order claim shall be accepted unless the same is made by the retailer in quadruplicate upon forms furnished by the board;

(4) After the claim has been made out in quadruplicate, one copy (blue) shall be torn from the book and retained by the retailer; one copy (yellow) shall be torn from the book and retained by the wholesaler in those cases where the wholesaler acts as agent of the brewer in accepting the claim; the original and one copy (pink) shall be torn from the book and forwarded to, or retained by, the brewer or beer importer for action upon the claim;

(5) At the time of making the final adjustment of the claim, the brewer or beer importer shall mail to the board the pink copy, endorsing thereon the action taken by the brewer or beer importer, together with a certification that in his opinion the claim was valid to the amount allowed;

(6) All adjustments of bad order claims shall be made by check issued by the brewer or beer importer and payable to the retailer, bearing the bad order claim number or numbers for which adjustment is made;

(7) All documentary evidence relating to the claim shall be preserved by the retailer and brewer or beer importer for two years after the date of submission of the claim;

(8) No brewer or beer importer shall allow, or shall any retailer make claim for, a bad order claim unless the container or the beer is in fact defective;

(9) In the case of package beer, other than beer in barrels, beer which is not in a salable condition or overaged may be returned by a retail licensee to the beer wholesaler from whom the beer was purchased, provided it is immediately replaced by the beer wholesaler with an identical quantity, type and brand of beer: *Provided further*, That if the brand of beer is not presently in the beer wholesaler's stock and is not available to the wholesaler in the immediate future, a cash refund may be made to the retail licensee upon the approval of the board first being obtained;

(10) Beer different from that ordered which has been delivered in error to a retail licensee may be returned to a beer wholesaler and either replaced with that beer which was ordered or a cash refund may be made upon the approval of the board first being obtained: *Provided*, That the error in delivery shall be discovered and corrected within eight days of the date the delivery was made;

(11) Wholesalers who replace unsalable or overaged packaged beer as provided in subsection (9) of this section, shall maintain complete records of all such transactions, with such records to be readily available for inspection by authorized employees of the board;

(12) Salable or unsalable beer may be returned by a retail licensee or by a governmental agency who has seized the same to the beer wholesaler selling such beer in the event the retailer goes out of the business of selling beer at retail, and in such case a cash refund may be

made upon return of the beer, provided that written consent of the board is first had and obtained;

(13) Except as provided herein, no other adjustment, by way of cash refund or otherwise, shall be made by the beer wholesaler, brewer or beer importer. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34-.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-20-070, filed 8/9/82; Order 49, § 314-20-070, filed 8/26/76, effective 9/26/76; Rule 46, filed 6/13/63.]

WAC 314-20-100 Beer wholesale price posting. (1)

Every beer wholesaler shall file with the board at its office in Olympia a price posting showing the wholesale prices at which any and all brands of beer sold by such beer wholesaler shall be sold to retailers within the state.

(2) All price postings must be received by the board not later than the first day of the month, and if approved will become effective on the fifteenth day of the same calendar month. An additional period, not to exceed five days will be allowed for revision of such posting to correct errors, omissions, or to meet competitive prices filed during the current posting period, but a revised posting must be on file at the board office by not later than the fifth day of the month in order to become effective on the fifteenth day of the same calendar month: *Provided*, That the board may in individual cases, for good cause shown, extend the date on which the filings required by the rules are to be received by the board.

When any price posting to be filed with the board under the provisions of this rule has been deposited in the United States mail addressed to the board, it shall be deemed filed or received on the date shown by the post office cancellation mark on the envelope containing it or on the date it was mailed if proof satisfactory to the board establishes that the actual mailing occurred on an earlier date.

(3) Filing date exception—Whenever the first day of the month falls on Saturday, Sunday or a legal holiday, an original price posting may be filed not later than the close of business the next business day.

(4) In the event that a beer wholesaler determines to make no changes in any items or prices listed in the last filed and approved schedule, such prices listed in the schedule previously filed and in effect, shall remain in effect for each succeeding posting period until a revised or amended schedule is filed and approved, as provided herein.

Provision for filing of temporary price reductions—In the event a beer wholesaler elects to file postings listing selected items on which prices are temporarily reduced for one posting period only, such filing shall be made on special forms provided for such purpose and clearly reflect all items, the selling price thereof, and the posting period for which the price reductions will be in effect. At the expiration of the posting period during which such reductions were effective the special filing will become void and the last regularly filed and effective price schedule shall again become effective until subsequently amended pursuant to regular filing dates.

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

(a) All brands, types, packages and containers of beer offered for sale by such beer wholesaler.

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

(6) No beer wholesaler shall sell or offer to sell any package or container of beer to any retail licensee at a price differing from the price for such package or container as shown in the price posting filed by the beer wholesaler and then in effect.

(7) Quantity discounts are prohibited. No price shall be posted which is below "cost," or below "cost of doing business," or a "loss leader," as those terms are defined in chapter 19.90 RCW, Unfair Practices Act, except as otherwise provided in such act.

(8) Wholesale prices on a "close-out" item shall be accepted by the board if in compliance with chapter 19.90 RCW and the item to be discontinued has been listed on the state market for a period of at least six months, and upon the further condition that the wholesaler who posts such a close-out price shall not restock the item for a period of one year following the first effective date of such close-out price.

(9) If an existing written contract or memorandum of oral agreement between a licensed brewer, certificate of approval holder, beer importer or beer wholesaler and a beer wholesaler, on file in accordance with WAC 314-20-105, is terminated by either party, and a new written contract or memorandum of oral agreement is made by such a supplier with another beer wholesaler in the affected trade area, the board, after receiving such new contract or memorandum of oral agreement and a corresponding wholesale price posting from the newly-designated beer wholesaler, may put such filings into effect immediately: *Provided*, That prices and other conditions of such filings which are in effect at the time of such termination shall not be changed until subsequent filings are submitted to the board and become effective under regulatory procedures set forth in other subsections of this regulation and WAC 314-20-105.

(10) The board may reject any price posting which it deems to be in violation of this or any other regulation or portion thereof which would tend to disrupt the orderly sale and distribution of beer. Whenever the board shall reject any posting the licensee submitting said posting may be heard by the board and shall have the burden of showing that said posting is not in violation of regulation and/or does not tend to disrupt the orderly sale and distribution of beer. Thereupon if said posting is accepted it shall become effective at the time fixed by the board. If said posting is rejected, the last effective posting shall remain in effect until such time as an amended posting is filed and approved, in accordance with the provisions of this regulation.

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

(12) Any beer wholesaler or employee authorized by his wholesaler-employer may sell beer at the wholesaler's posted prices to any Class A, B, D, E, H, or G licensee upon presentation to such wholesaler or employee at the time of purchase of a special permit issued by the board to such licensee.

(a) Every Class A, B, D, E, H, or G licensee upon purchasing any beer from a wholesaler, shall immediately cause such beer to be delivered to his licensed premises, and he shall not thereafter permit such beer to be disposed of in any manner except as authorized by his license.

(b) Beer sold as provided herein shall be delivered by such wholesaler or his authorized employee either to such retailer's licensed premises or directly to such retailer at the wholesaler's licensed premises: *Provided, however*, That a wholesaler's prices to retail licensees shall be the same at both such places of delivery.

(13) When a new beer wholesaler's license is issued by the board, the holder thereof may file an initial price schedule and request that such posting be placed into effect immediately. The board may grant such approval, providing that such posting is in compliance with all other applicable regulatory requirements, and that contracts and memoranda are on file, in accordance with WAC 314-20-105. [Statutory Authority: RCW 66.08-.030, 82-16-069 (Order 91, Resolution No. 100), § 314-20-100, filed 8/2/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW. 78-02-056 (Order 62), § 314-20-100, filed 1/20/78, effective 7/1/78; Order 54, § 314-20-100, filed 5/24/77, effective 7/1/77; Order 51, § 314-20-100, filed 12/15/76; Order 18, § 314-20-100, filed 1/13/72, effective 2/14/72; Order 15, § 314-20-100, filed 5/13/71, effective 7/1/71; Rule 49, filed 6/13/63.]

WAC 314-20-105 Beer suppliers' price filings, contracts and memoranda. (1) Every licensed brewer shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such brewer may have with any beer wholesaler, which contracts or memoranda shall contain a schedule of prices charged to wholesalers for all items; all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances and incentive programs; all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified such revised contracts or memoranda shall forthwith be filed with the board as provided in this regulation.

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

(2) Filing date—All written contracts and memoranda of oral agreements must be received by the board not later than the fifteenth day of the month, and if approved will become effective on the fifteenth day of the month following the date of such filing. An additional

period will be allowed for revision of such filings to correct errors and omissions, or to meet competitive prices, filed during the current posting period, but a revised contract or memorandum of oral agreement must be on file with the board not later than the twentieth day of the month in order to become effective on the fifteenth day of the following month: *Provided*, That the board may in individual cases, for good cause shown, extend the date on which the filings required by the rules are to be received by the board.

(a) When any price posting to be filed with the board under the provisions of this rule has been deposited in the United States mail addressed to the board, it shall be deemed filed or received on the date shown by the post office cancellation mark on the envelope containing it, or on the date it was mailed if proof satisfactory to the board establishes that the actual mailing occurred on an earlier date.

(b) Exceptions for changes in wholesalers and newly licensed wholesalers are set forth in WAC 314-20-100(9) and (13).

(3) Filing date exception—Whenever the fifteenth day of the month falls on Saturday, Sunday, or a legal holiday, an original contract or memorandum of oral agreement may be filed not later than the close of business the next business day.

(4) In the event that a brewer determines to make no changes in any items or prices listed in the last filed and approved schedule, such prices listed in the schedule previously filed and in effect, shall remain in effect for each succeeding posting period until a revised or amended schedule is filed and approved, as provided herein.

Provision for filing of temporary price reductions—In the event a licensed brewer elects to file postings listing selected items on which prices are temporarily reduced for a period of one posting period only, such filing shall be made on special forms provided for such purpose and clearly reflect all items, the selling price thereof, and the posting period for which the price reductions will be in effect. At the expiration of the posting period during which such reductions were effective the special filing will become void and the last regularly filed and effective price schedule shall again become effective until subsequently amended pursuant to regular filing dates.

(5) Prices filed by a licensed brewer shall be uniform prices to all wholesalers on a statewide basis less bona fide allowances for freight differentials. Quantity discounts are prohibited. No price shall be filed which is below "cost," or below "cost of doing business," or a "loss leader" as those terms are defined in chapter 19.90 RCW, Unfair Practices Act, except as otherwise provided in such act.

(6) No licensed brewer shall sell or offer to sell any beer to any persons whatsoever in this state until copies of such written contracts or memoranda of such oral agreements are on file with the board.

(7) No licensed brewer shall sell or offer to sell any package or container of beer to any wholesaler at a price differing from the price for such package or container as

shown in the schedule of prices filed by the brewer and then in effect.

(8) The provisions set forth in the foregoing subsections of this regulation shall also apply to written contracts and memoranda of oral agreements which must be filed with the board by every certificate of approval holder who sells beer to a beer importer, every beer importer who sells beer to another beer importer or to a beer wholesaler, and every beer wholesaler who sells beer to another beer wholesaler: *Provided*, That the provisions of this subsection shall not apply, and filings will not be required in the instance of beer wholesalers making accommodation sales to other beer wholesalers when such sales are made at a selling price not to exceed the laid-in cost of the beer being sold. Accommodation sales may only be made when the wholesaler purchasing the beer is an authorized purchaser of the brand and product being sold, having been designated as an authorized purchaser by the manufacturer or importer of the product being sold, as demonstrated by an existing contract or memoranda on file and in effect under the provisions of this rule.

(9) Holders of certificates of approval may ship beer into this state when the beer has been sold and consigned to the holder of a beer importer's license at his licensed premises. The bill of lading covering such consignment shall not be changed or the beer diverted unless such diversion is to another beer importer, and the board so notified immediately.

(10) The board may reject any supplier's price filing, contract or memorandum of oral agreement or portion thereof which it deems to be in violation of this or any other regulation or which would tend to disrupt the orderly sale and distribution of beer. Whenever the board shall reject any such price filing, contract or memorandum the licensee submitting said price filing, contract or memorandum may be heard by the board and shall have the burden of showing that the said price filing, contract or memorandum is not in violation of regulation and/or does not tend to disrupt the orderly sale and distribution of beer. Thereupon if said price filing, contract or memorandum is accepted it shall become effective at a time fixed by the board. If said price filing, contract or memorandum or portion thereof is rejected, the last effective price filing, contract or memorandum shall remain in effect until such time as an amended price filing, contract or memorandum is filed and approved, in accordance with the provisions of this regulation.

(11) All prices, contracts and memoranda filed as required by this regulation shall at all times be open to inspection to all trade buyers within the state of Washington and shall not in any sense be considered confidential. [Statutory Authority: RCW 66.08.030, 82-16-069 (Order 91, Resolution No. 100), § 314-20-105, filed 8/2/82; Order 54, § 314-20-105, Rule 49.5, filed 5/24/77, effective 7/1/77; Order 51, § 314-20-105, filed 12/15/76; Order 15, § 314-20-105, filed 5/13/71, effective 7/1/71.]

WAC 314-20-160 Importer of foreign beer—Certificate of approval required—Reports—Payment of tax.

Beer manufactured outside of the United States may be imported by a beer importer, but only under the following conditions:

(1) The beer importer must be the holder of a certificate of approval, and shall furnish the bond required by WAC 314-20-010.

(2) The beer importer importing such beer shall be at all times solely responsible for the payment of any and all taxes due the state of Washington on account of such beer. Such beer shall be imported and delivered directly to either the warehouse of the importer or to some other warehouse previously designated by the importer and approved by the board.

(3) On or before the twentieth day of the month following such importation the importer (certificate of approval holder) shall report such importation to the board, setting forth the quantity, brand, type, and package sizes of such beer and shall pay to the board the tax due thereon as provided in WAC 314-20-010.

(4) All matters pertaining to the importation, transportation, storage, payment of taxes and keeping of records, and all other matters pertaining to the importation of beer manufactured outside the United States shall be subject at all times to such orders, rules and regulations as the board may from time to time prescribe, and the board reserves the right to make orders applicable to individual and particular cases in addition to general orders, rules and regulations applicable generally. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-20-160, filed 10/28/81; Order 14, § 314-20-160, filed 12/1/70, effective 1/1/71; Rule 55, filed 6/13/63.]

Chapter 314-24 WAC

DOMESTIC WINERIES AND DOMESTIC WINE WHOLESALEERS

WAC	
314-24-003	Standards of identity for wine.
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314-24-120	Importer of foreign wine—United States wineries—Certificate of approval required—Monthly reports—Records.
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314-24-210	Return of wine by retailer—Replacement—Conditions.

WAC 314-24-003 Standards of identity for wine.

(1) Application of standards. The standards of identity for the several classes and types of wine set forth herein shall be applicable to all wines produced, imported, bottled, offered for sale, or sold within this state for beverage use or any other purpose, except as hereinafter prescribed. The standards herein established are minimum standards for wines of the several classes and types defined.

(2) Standards of identity. The several classes and types of wine set forth herein shall be as follows:

(a) Wine (or grape wine). "Wine" is the product of the normal alcoholic fermentation of the juice of sound, ripe grapes (including pure condensed must), with or without added grape brandy or other spirits derived from grapes or grape products, and containing not to exceed 24 percent alcohol by volume, but without any other addition or abstraction whatsoever except such as may occur in normal cellar treatment: *Provided*, That the product may be ameliorated before, during or after fermentation by the use of pure dry sugar, a combination of water and pure dry sugar, liquid sugar, invert sugar syrup, grape juice or concentrated must, but only in accordance with federal regulations 27 CFR part 240, and the total solids of the wine shall in no case exceed 21 percent by weight. The maximum volatile acidity, calculated as acetic acid and exclusive of sulphur dioxide, shall not be, for red table wine, more than 0.14 gram, and for all other wine, more than 0.12 gram in both cases per 100 cubic centimeters (20 degrees C.). The maximum sulphur dioxide content of any wine shall not be greater than 350 parts per million of total sulphur dioxide or sulphites expressed as sulphur dioxide.

Pure condensed must. "Pure condensed must" means the dehydrated juice or must of sound, ripe grapes, or other fruit or agricultural products, concentrated to not more than 80° Brix, the composition thereof remaining unaltered except for removal of water; the term "restored pure condensed must" means pure condensed must to which has been added an amount of water not exceeding the amount removed in the dehydration process; and the term "sugar" means pure cane, beet, or dextrose sugar in dry form containing, respectively, not less than 95 percent of actual sugar calculated on a dry basis.

(b) Natural wine is the product of the juice of sound, ripe grapes, or the product of the juice of sound ripe fruit or berries other than grapes, produced in accordance with section 5381, I.R.C., and federal regulations 27 CFR part 240, as applicable.

(c) Red and white wine. Red wine is wine which contains the red coloring matter of the skins, juice, or pulp of grapes; pink, amber or rose wine is wine which contains partial red coloring of the skins, juice, or pulp of grapes; and white wine is wine which does not contain the red coloring matter of the skins, juice, or pulp of grapes.

(d) Table wine (including light wine, light grape wine, light red wine, light white wine, and natural wine) is wine containing not to exceed 14 percent alcohol by volume. The maximum Balling or Brix saccharometer test for any table wine shall not be more than 14 percent (at 20 degrees C. using a saccharometer calibrated at this temperature) when the test is made in the presence of the alcoholic content provided herein.

(e) Dessert wine (including appetizer wine) is wine containing more than 14 percent alcohol by volume, and not to exceed 24 percent alcohol by volume. Angelica, madeira, malaga, marsala, muscatel, port, white port, sherry, and tokay are types of dessert wine containing

added grape brandy or other spirits derived from grapes or grape products, possessing the taste, aroma and other characteristics generally attributed to these products, and having an alcoholic content of not less than 17 percent by volume in the case of sherry, and not less than 18 percent in the case of all other types named in this paragraph.

(f) Aperitif wine is grape wine, containing added grape brandy or other spirits derived from grapes or grape products and having an alcoholic content of not less than 15 percent by volume flavored with herbs and other natural aromatic flavoring materials and possessing the taste, aroma and other characteristics generally attributed to wine of this class.

(g) Vermouth is a type of aperitif wine made from grape wine and possessing the taste, aroma and other characteristics generally attributed to vermouth.

(h) The term vintage wine means a wine produced wholly from (i) grapes gathered and (ii) the juice therefrom fermented, in the same calendar year and in the same viticultural area (e.g., county, state, department, province, or equivalent geographic area, or subdivision thereof), as identified on the label of such wine.

(i) Sacramental wine. Wine used solely for sacramental purposes may possess such alcoholic content not exceeding 24 percent by volume as required by ecclesiastical codes.

(j) Sparkling grape wine (including sparkling wine, sparkling red wine, and sparkling white wine) is grape wine made effervescent with carbon dioxide resulting solely from the fermentation of the wine within a closed container, tank or bottle.

(k) Champagne is a type of sparkling light white wine which derives its effervescence solely from the secondary fermentation of the wine within glass containers of not greater than one gallon capacity, and which possesses the taste, aroma, and other characteristics attributed to champagne as made in the Champagne District of France.

(l) A sparkling light wine having the taste, aroma, and characteristics generally attributed to champagne but not otherwise conforming to the standard for champagne may, in addition to but not in lieu of the class designation sparkling wine, be further designated as champagne style, or champagne type or American (or New York State, California, etc.) champagne — bulk process; all the words in such further designation shall appear in lettering of substantially the same size and such lettering shall not be substantially larger than the words "sparkling wine."

(m) Pink (or rose) champagne is a type of sparkling pink wine otherwise conforming to the definition of champagne, and shall be labeled in the same manner as champagne except that the designation pink (or rose) champagne shall be used in lieu of the designation champagne.

(n) Sparkling burgundy and sparkling moselle are types of sparkling wine possessing the taste, aroma and characteristics attributed to these products.

(o) Carbonated wine (including carbonated grape wine, carbonated red wine, carbonated pink (or rose)

wine and carbonated white wine) is wine made effervescent with carbon dioxide other than that resulting solely from the secondary fermentation of the wine within a closed container, tank, or bottle.

(p) Fruit wine is wine produced by the normal alcoholic fermentation of the juice of sound, ripe fruit (other than grape), including pure condensed fruit must, with or without added fruit brandy or fruit spirits distilled from the same type of fruit or fruit products as the wine to which such fruit brandy or fruit spirits is added, and containing not to exceed 24 percent of alcohol by volume but without any other addition or abstraction whatsoever except such as may occur in normal cellar treatment: *Provided*, That the product may be ameliorated before, during, or after fermentation by the addition of water, pure dry sugar, a combination of water and pure dry sugar, liquid sugar, invert sugar syrup and concentrated and unconcentrated juice of the same fruit, but, only in accordance with federal regulations and the total solids of the wine shall in no case exceed 21 percent by weight.

The maximum volatile acidity, calculated as acetic acid and exclusive of sulphur dioxide, shall not be for natural fruit wine, more than 0.14 gram, and for other fruit wine, more than 0.12 gram, per 100 cubic centimeters (20 degrees C.).

(q) Light fruit wine (including natural fruit wine) is fruit wine containing not to exceed 14 percent alcohol by volume.

(r) Fruit wine derived wholly (except for sugar, water, or added fruit brandy or fruit spirits) from one kind of fruit shall be designated by the word wine, qualified by the name of such fruit; e.g., peach wine, orange wine, blackberry wine, etc. Fruit wine not derived wholly from one kind of fruit shall be designated as fruit wine or berry wine, as the case may be, qualified by a truthful and adequate statement of composition appearing in direct conjunction therewith. Fruit wines derived wholly (except for sugar, water, or added fruit brandy or fruit spirits) from apples or pears may if desired be designated cider, and perry, respectively, and shall be so designated if lacking in vinous taste, aroma, and other characteristics. Fruit wine rendered effervescent by carbon dioxide resulting solely from the secondary fermentation of the wine within a closed container, tank, or bottle shall be further designated as sparkling, and fruit wine rendered effervescent by carbon dioxide otherwise derived shall be further designated as carbonated.

(s) Berry wine is fruit wine produced from berries.

(t) Citrus wine or citrus fruit wine is fruit wine produced from citrus.

(u) Wine from other agricultural products. Sake is wine produced from rice in accordance with the commonly accepted method of producing such product.

(v) Other agricultural wines (such as honey wine), the production or sale of which is not prohibited by these regulations, shall be made in accordance with the commonly accepted standards of such product.

(w) Specialty wine is wine not otherwise herein defined, produced in accordance with commercial standards for such wines. Such wines may bear a fanciful proprietary designation and shall be labeled with a

truthful and adequate statement of composition or with any commonly accepted trade designation indicative of such composition.

(x) Specially sweetened natural wine (a wine such as Kosher wine) is wine produced in accordance with federal regulation 27 CFR part 240.

(y) High fermentation wine is a grape or fruit wine made within the limitations of regulation (57)(2)(a) for grape wine, and regulation (57)(2)(p) for fruit wine, except that the alcohol content after complete fermentation or complete fermentation and sweetening is more than 14 percent and that wine spirits may not be added, produced in accordance with federal regulation 27 CFR part 240.

(z) Special natural wine is a flavored wine made on bonded wine cellar premises from a base of natural wine, in conformity with federal regulation 27 CFR part 240.

(3) Grape-type designations. A name indicative of variety of grape may be employed as the type designation of a wine if the wine derives its predominate taste, aroma, and other characteristics, and at least 51 percent of its volume, from that variety of grape.

(4) Appellations of origin. A wine shall be entitled to an appellation of origin if:

(a) At least 75 percent of its volume is derived from both fruit or other agricultural products both grown and fermented in the place or region indicated by such appellation;

(b) It has been fully produced and finished within such place or region; and

(c) It conforms to the requirements of the laws and regulations of such place or region governing the composition, method of production and designation of wines for consumption within such place or region of origin.

(5) Conformance to state standards required. Wines of any defined class or type labeled or advertised under appellation of origin such as Spanish, New York, Ohio, Finger Lakes, California, etc., shall meet the requirements of standards herein prescribed applicable to such wines and shall, in addition, contain the minimum percentage of alcohol and conform as to composition in all other respects with all standards of identity, quality and purity applicable to wines of such classes or types marketed for consumption in the place or region of origin.

For example, all grape wines bearing labels showing California as the origin of such wine, shall be derived one hundred percent from grapes grown and wine from such grapes fermented within the state of California, shall contain no sugar or material containing sugar, other than pure condensed grape must; and any type of grape dessert wine (except sherry) shall contain not less than 18 percent of alcohol by volume; any type of sherry shall contain not less than 17 percent alcohol by volume; except as hereinbefore provided. Wines subjected to cellar treatment outside the place or region of origin, and blends of wine of the same origin, blended together outside the place or region of origin (if all the wines, in the blend have a common class, type, or other designation which is employed as the designation of the blend), shall be entitled to the same appellation of origin to which

they would be entitled if such cellar treatment of blending took place within the place or region of origin.

(6) Grape-type designations, generic, semi-generic and non-generic designations of geographic significance, are subject to the same requirements as set forth under Title 27, Code of Federal Regulations, Part 4. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-24-003, filed 10/28/81; Order 14, § 314-24-003, filed 12/1/70, effective 1/1/71; Order 5, § 314-24-003, filed 8/7/69, effective 9/8/69.]

WAC 314-24-050 Alcoholic content. No wine shall exceed twenty-four percent of alcohol by volume at 60 degrees Fahrenheit, calculated from the distillate.

Label tolerance:

(1) The alcoholic content of wines containing in excess of fourteen percent of alcohol by volume shall be within one percent plus or minus of the label claim, but not to exceed the prescribed 24% limitation. In the event a maximum range of two percent is stated on the label, the alcoholic content must be within the stated range.

(2) The alcoholic content of wines containing less than fourteen percent of alcohol by volume shall be within one and one-half percent plus or minus of the label claim. In the event a maximum range of three percent is stated on the label, the alcoholic content must be within the stated range. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-24-050, filed 10/28/81; Order 5, § 314-24-050, filed 8/7/69, effective 9/8/69; Rule 63, filed 6/13/63.]

WAC 314-24-110 Domestic wineries, wine wholesalers, wine importers--Monthly reports--Bonds required--Payment of tax. (1) Every domestic winery which is licensed to sell wine of its own production at retail on the winery premises pursuant to chapter 66.24 RCW, and every holder of a wine wholesaler's license must at all times when said license is in force, have in effect and on file with the board a bond executed by any surety authorized to do business in the state of Washington, in form and amount acceptable to the board. The said bond shall be payable to the Washington state liquor control board and conditioned that such domestic winery and wine wholesaler will pay to the board the tax of twenty and one-fourth cents per liter levied by reason of RCW 66.24.210 (section 24-A of the Washington State Liquor Act).

(2) Every person, firm or corporation holding a license to manufacture or produce wine within the state of Washington shall, on or before the twentieth day of each month, submit to the board, upon forms furnished by the board, reports showing all transactions in wine manufactured or produced on the winery premises, including such wine sold at retail on such premises and wine sold to licensees within the state.

(3) At the time of making such monthly reports to the board, the domestic winery shall pay to the board the wine tax of twenty and one-fourth cents per liter on wine sold at retail on the winery premises, as provided in

RCW 66.28.010; on wine sold under a wine wholesaler's license to retail licensees; and on wine furnished as samples to authorized licensees for the purpose of negotiating a sale as provided in RCW 66.28.040: *Provided*, That such tax shall not apply or be paid on sales to Washington wine wholesalers, on inter-winery shipments, nor to shipments exported directly by a domestic winery to a point outside the state of Washington, nor on its sales to the Washington state liquor control board.

(4) Every person, firm or corporation holding a wine importer's license or a wine wholesaler's license in the state of Washington shall make a report to the board, upon forms furnished by the board, on or before the twentieth day of each month, of all wine that such importer or wholesaler has purchased and received during the preceding calendar month on which the wine tax has not been paid. The tax of twenty and one-fourth cents per liter shall be paid by a wine wholesaler upon first acquisition of wine on which such tax has not been previously paid, including wine received and/or furnished as samples to authorized licensees for the purpose of negotiating a sale as provided in RCW 66.28.040, and shall be remitted to the board at the time of filing the monthly report required in this subsection. Such tax shall apply to sales by a wine wholesaler to the Washington state liquor control board. The report method of payment of tax shall be exclusive of any other method. Where a wine importer does not also hold a wine wholesaler's license, the wine importer shall pay the wine tax on any wines received and/or furnished as samples.

(5) Failure to make such report, or pay said tax where required, at the time prescribed will be sufficient cause for the board to forthwith suspend or cancel the license privilege of the delinquent domestic winery, wine importer, or wine wholesaler. A two percent penalty per month, or portion of a month, will be assessed on any tax payments postmarked after the twentieth day following the month of purchase. In addition, in case of any such tax delinquency, the board shall immediately give notice to the surety on such domestic winery or wine wholesaler's bond and shall take such action as is thereafter deemed necessary by the board to collect any of said tax which it finds is due.

(6) Wine wholesalers or wine importers who export wine to a point outside the geographical confines of the state of Washington upon which the tax imposed by RCW 66.24.210 has been paid may claim a refund or tax credit of said tax on forms prescribed and furnished by the board. For the purpose of this regulation, wine sold and delivered to interstate commercial common passenger carriers holding licenses pursuant to chapter 245, Laws of 1975 1st ex. sess., or for use within the confines of any military reservation over which the state does not exercise jurisdiction shall be considered exported from the state. The wine tax shall not be paid on wine being shipped in interstate commerce from one point outside this state directly through the state to another point outside the geographical confines of this state. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution

94), § 314-24-110, filed 10/28/81; Order 40, § 314-24-110, filed 8/21/75; Order 26, § 314-24-110, filed 8/14/73; Order 5, § 314-24-110, filed 8/7/69, effective 9/8/69; Rule 69, filed 6/13/63.]

WAC 314-24-120 Importer of foreign wine—United States wineries—Certificate of approval required—Monthly reports—Records. (1) Foreign wine. Wine manufactured outside of the United States may be imported by a wine importer under the following conditions:

(a) The wine importer must be the holder of a certificate of approval.

(b) The wine importer (certificate of approval holder) importing such wine must obtain label approval in accordance with WAC 314-24-040. Such wine shall be imported and delivered directly to either the warehouse of the importer (certificate of approval holder) or to some other warehouse previously designated by the importer and approved by the board.

(c) On or before the twentieth day of the month following such importation the importer (certificate of approval holder) shall report such importation to the board upon forms prescribed and furnished by the board.

(d) All matters pertaining to the importation, transportation, storage, keeping of records, and all other matters pertaining to the importation of wine manufactured outside the United States shall be subject at all times to such orders, rules and regulations as the board may from time to time prescribe, and the board reserves the right to make orders applicable to individual and particular cases in addition to general orders, rules and regulations applicable generally.

(e) Any wine importer (certificate of approval holder) holding a wine wholesaler's license should refer to WAC 314-24-110 for requirements on surety bond and payment of wine tax.

(2) Holders of certificate of approval—United States wineries, located outside of Washington state. Each winery holding a certificate of approval may ship wine to licensed wine importers only. As required by section 10, chapter 21, Laws of 1969 ex. sess., and by the written agreement embodied in the application for certificate of approval, each winery holding a certificate of approval shall, on or before the twentieth day of each month, furnish to the board a report of such shipments.

(a) Such report shall show the quantity of wine sold or delivered to each licensed wine importer during the preceding month, together with such other information as the board may require.

(b) All reports shall be made upon forms prescribed and furnished by the Washington state liquor control board.

(3) Failure to make such a report at the time and in the manner as prescribed will be sufficient cause for the board to forthwith suspend or revoke the certificate of the certificate of approval holder. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-035 (Order 95, Resolution No. 104), § 314-24-120, filed 1/28/82; 81-22-026 (Order 85, Resolution 94), § 314-24-120, filed 10/28/81; Order 26, § 314-24-120,

filed 8/14/73; Order 5, § 314-24-120, filed 8/7/69, effective 9/8/69; Rule 71, filed 6/13/63.]

WAC 314-24-190 Wine wholesale price posting. (1) Every wine wholesaler shall file with the board at its office in Olympia a wine price posting, showing the wholesale prices at which any and all brands of wine offered for sale by such wine wholesaler shall be sold to retailers within the state.

(2) All price postings must be received by the board not later than the tenth day of the month, and if approved will become effective on the first day of the calendar month following the date of such filing. An additional period, not to exceed five days will be allowed for revision of such posting to correct errors, omissions, or to meet competitive prices filed during the current posting period, but a revised posting must be on file at the board office by not later than the fifteenth day of the month in order to become effective on the first day of the next calendar month: *Provided*, That the board may in individual cases, for good cause shown, extend the date on which the filings required by the rules are to be received by the board.

When any price posting to be filed with the board under the provisions of this rule has been deposited in the United States mail addressed to the board, it shall be deemed filed or received on the date shown by the post office cancellation mark on the envelope containing it or on the date it was mailed if proof satisfactory to the board establishes that the actual mailing occurred on an earlier date.

(3) Filing date exception—Whenever the tenth day of any month falls on Saturday, Sunday or a legal holiday, an original price posting may be filed not later than the close of business the next business day.

(4) In the event that a wine wholesaler determines to make no changes in any items or prices listed in the last filed and approved schedule, such prices listed in the schedule previously filed and in effect, shall remain in effect for each succeeding calendar month until a revised or amended schedule is filed and approved, as provided herein.

Provision for filing of temporary price reductions—In the event a wine wholesaler elects to file postings listing selected items on which prices are temporarily reduced for a period of one calendar month only such filing shall be made on special forms provided for such purpose and clearly reflect all items, the selling price thereof, and the month for which the price reductions will be in effect. At the expiration of the month during which such reductions were effective the special filing will become void and the last regularly filed and effective price schedule shall again become effective until subsequently amended pursuant to regular filing dates.

(5) Postings shall be submitted upon forms prescribed and furnished by the board, or a reasonable facsimile thereof, and shall set forth:

(a) All brands, types and sizes of packages or containers of wine offered for sale in this state by such wine wholesaler, which packages or containers shall be limited to the sizes permitted in WAC 314-24-080.

(b) The wholesale prices thereof within the state, which prices shall include the state wine tax of twenty and one-fourth cents per liter imposed under RCW 66.24.210.

(6) No wine wholesaler shall sell or offer for sale any package or container of wine at a price differing from the price of such item as shown in the price posting then in effect.

(7) Quantity discounts are prohibited. No price shall be posted which is below "cost," or below "cost of doing business," or a "loss leader" as those terms are defined in chapter 19.90 RCW, Unfair Practices Act, except as otherwise provided in such act.

(8) Wholesale prices on a "close-out" item shall be accepted by the board if in compliance with chapter 19.90 RCW and the item to be discontinued has been listed on the state market for a period of at least six months, and upon the further condition that the wholesaler who posts such a "close-out" price shall not restock the item for a period of one year following the first effective date of such "close-out" price.

(9) If an existing written contract or memorandum of oral agreement between a domestic winery, certificate of approval holder, wine importer, or wine wholesaler and a wine wholesaler, as filed in accordance with WAC 314-24-200, is terminated by either party, and a new written contract or memorandum of oral agreement is made by such a supplier with another wine wholesaler in the affected trade area, the board, after receiving such new written contract or memorandum of oral agreement, and a corresponding wholesale price posting from the newly designated wine wholesaler, may put such filings into effect immediately: *Provided*, That prices and other conditions of any such filings which are in effect at the time of such termination shall not be changed prior to the next applicable filing period.

(10) When a new wine wholesaler's license is issued for the first time by the board, the holder thereof may file an initial price schedule and request that such posting be placed into effect immediately. The board may grant such approval, providing that such posting is in compliance with all other applicable regulatory requirements, and that contracts and memoranda are on file, in accordance with WAC 314-24-200.

(11) The board may reject any price posting or portion thereof which it deems to be in violation of this or any other regulation or which would tend to disrupt the orderly sale and distribution of wine. Whenever the board shall reject any posting the licensee submitting said posting may be heard by the board and shall have the burden of showing that the posting is not in violation of regulation and/or does not tend to disrupt the orderly sale and distribution of wine. Thereupon if said posting is accepted it shall become effective at a time fixed by the board. If said posting or portion thereof is rejected the last effective posting shall remain in effect until such time as an amended posting is filed and approved in accordance with the provisions of this regulation.

(12) Any wine wholesaler or employee authorized by his wholesaler-employer may sell wine at the wholesaler's posted prices to any Class C, F, H, or J licensee

upon presentation to such wholesaler or employee at the time of purchase of a special permit issued by the board to such licensee.

(a) Every Class C, F, H, or J licensee, upon purchasing any wine from a wholesaler, shall immediately cause such wine to be delivered to his licensed premises, and he shall not thereafter permit such wine to be disposed of in any manner except as authorized by his license.

(b) Wine sold as provided herein shall be delivered by such wholesaler or his authorized employee either to such retailer's licensed premises or directly to such retailer at the wholesaler's licensed premises: *Provided, however,* That a wholesaler's prices to retail licensees shall be the same at both places of delivery.

(13) All price postings filed as required by this regulation shall at all times be open to inspection to all trade buyers within the state of Washington and shall not in any sense be considered confidential. [Statutory Authority: RCW 66.08.030, 82-16-069 (Order 91, Resolution No. 100), § 314-24-190, filed 8/2/82. Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW, 81-22-026 (Order 85, Resolution 94), § 314-24-190, filed 10/28/81. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW, 78-02-056 (Order 62), § 314-24-190, filed 1/20/78, effective 7/1/78; Order 54, § 314-24-190, filed 5/24/77, effective 7/1/77; Order 51, § 314-24-190, filed 12/15/76; Order 26, § 314-24-190, filed 8/14/73; Order 18, § 314-24-190, filed 1/13/72, effective 2/14/72; Order 15, § 314-24-190, filed 5/13/71, effective 7/1/71; Order 5, § 314-24-190, filed 8/7/69, effective 9/8/69; Rule 81, filed 6/13/63.]

WAC 314-24-200 Wine suppliers' price filings, contracts and memoranda. (1) Every domestic winery shall file with the board at its office in Olympia a copy of every written contract and a memorandum of every oral agreement which such winery may have with any wine wholesaler, which contracts or memoranda shall contain a schedule of the prices charged to wholesalers for all items. Requirements for including or omitting from such prices the wine tax of twenty and one-fourth cents per liter, imposed under RCW 66.24.210, are set forth in subsection (8) of this regulation. Contracts and memoranda required to be filed under this subsection must list all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances; and all commissions, bonuses or gifts and any and all other discounts or allowances. Whenever changed or modified such revised prices, contracts or memoranda shall be filed with the board, as provided in this regulation.

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

(2) Filing date—All written contracts and memoranda of oral agreements must be received by the board

not later than the twenty-fifth day of the month, and if approved will become effective on the first day of the second calendar month following the date of such filing. An additional period will be allowed for revision of such filings to correct errors and omissions, or to meet competitive prices, filed during the current posting period, but a revised contract or memorandum of oral agreement must be on file with the board not later than the first day of the month in order to become effective on the first day of the next calendar month: *Provided,* That the board may in individual cases, for good cause shown, extend the date on which the filings required by the rules are to be received by the board.

When any price posting to be filed with the board under the provisions of this rule has been deposited in the United States mail addressed to the board, it shall be deemed filed or received on the date shown by the post office cancellation mark on the envelope containing it or on the date it was mailed if proof satisfactory to the board establishes that the actual mailing occurred on an earlier date.

(3) Filing date exception—Whenever the twenty-fifth day of any month falls on Saturday, Sunday, or a legal holiday, an original contract or memorandum of oral agreement may be filed not later than the close of business the next business day.

(4) Exceptions for changes in wholesalers and newly licensed wholesalers are set forth in WAC 314-24-190(9) and (10).

(5) In the event that a domestic winery determines to make no changes in any contracts or memoranda last filed and then in effect, such contracts or memoranda shall remain in effect for each succeeding calendar month until revised or amended contracts or memoranda are filed and placed into effect as provided herein.

Provision for filing of temporary price reductions—In the event a licensed domestic winery elects to file postings listing selected items on which prices are temporarily reduced for a period of one calendar month only such filing shall be made on special forms provided for such purpose and clearly reflect all items, the selling price thereof, and the month for which the price reductions will be in effect. At the expiration of the month during which such reductions were effective the special filing will become void and the last regularly filed and effective price schedule shall again become effective until subsequently amended pursuant to regular filing dates.

(6) Prices filed by a domestic winery shall be uniform prices to all wholesalers on a statewide basis less bona fide allowances for freight differentials. Quantity discounts are prohibited. No price shall be filed which is below "cost," or below "cost of doing business," or a "loss leader" as those terms are defined in chapter 19.90 RCW, Unfair Practices Act, except as otherwise provided in such act.

(7) The provisions set forth in subsections (1), (2), (3), (4), (5) and (6) shall also apply to written contracts and memoranda of oral agreements which must be filed with the board by certificate of approval holders who sell wine to wine importers; wine importers who sell to wine wholesalers; and wine wholesalers who sell to other wine

wholesalers: *Provided*, That the provisions of this subsection shall not apply, and filing will not be required, in the instance of wine wholesalers making accommodation sales to other wine wholesalers when such sales are made at a selling price not to exceed the laid-in cost of the wine being sold. Accommodation sales may only be made when the wholesaler purchasing the wine is an authorized purchaser of the brand and product being sold, having been designated as an authorized purchaser by the manufacturer or importer of the product being sold, as demonstrated by an existing contract or memorandum on file and in effect under the provisions of this rule.

(8) The wine tax, imposed under RCW 66.24.210, is not to be included in the prices filed as required by subsection (1) of this regulation by (a) a domestic winery, nor (b) by a certificate of approval holder who is not licensed as a wine wholesaler, nor (c) a wine importer who is not licensed as a wine wholesaler.

Every wine wholesaler who sells wine to another wine wholesaler shall include such tax in the prices posted on such required schedules.

(9) No domestic wineries, certificate of approval holders, wine importers, or wine wholesalers shall sell any wine to any persons whatsoever in this state until copies of such written contracts or memoranda of such oral agreements are on file with the board.

(10) Certificate of approval holders may ship wine into this state when the same has been sold and consigned to the holder of an importer's license at his licensed premises. The bill of lading covering such consignment shall not be changed or the wine diverted unless such diversion is to another importer, and the board so notified immediately.

(11) The board may reject any supplier's price filing, contract or memorandum of oral agreement or portion thereof which it deems to be in violation of this or any other regulation or which would tend to disrupt the orderly sale and distribution of wine. Whenever the board shall reject any such price filing, contract or memorandum of oral agreement the licensee submitting said price filing, contract or memorandum may be heard by the board and shall have the burden of showing that the said price filing, contract or memorandum is not in violation of regulation and/or does not tend to disrupt the orderly sale and distribution of wine. Thereupon if said price filing, contract or memorandum is accepted it shall become effective at a time fixed by the board. If said price filing, contract or memorandum or portion thereof is rejected the last effective price filing, contract or memorandum shall remain in effect until such time as an amended price filing, contract or memorandum is filed and approved, in accordance with the provisions of this regulation.

(12) All prices, contracts and memoranda filed as required by this regulation shall at all times be open to inspection to all trade buyers within the state of Washington and shall not in any sense be considered confidential. [Statutory Authority: RCW 66.08.030, 82-16-069 (Order 91, Resolution No. 100), § 314-24-200,

filed 8/2/82. Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-22-026 (Order 85, Resolution 94), § 314-24-200, filed 10/28/81; Order 54, § 314-24-200, filed 5/24/77, effective 7/1/77; Order 51, § 314-24-200, filed 12/15/76; Order 26, § 314-24-200, filed 8/14/73; Order 15, § 314-24-200, filed 5/13/71, effective 7/1/71; Order 5, § 314-24-200, filed 8/7/69, effective 9/8/69; Rule 82, filed 6/13/63.]

WAC 314-24-210 Return of wine by retailer--Replacement--Conditions. No wine shall be returned by any retail licensee to any wine wholesaler except as herein provided.

(1) Wine which is not in a salable condition may be returned by a retail licensee to the wine wholesaler from whom purchased, provided it is immediately replaced by the wine wholesaler with an identical quantity, type and brand of wine: *Provided*, That if the brand of wine is not presently in the wine wholesaler's stock and is not available to the wholesaler in the immediate future, a cash refund may be made to the retail licensee upon the approval of the board first being obtained.

(a) Every wine wholesaler shall maintain on the licensed premises for a period of two years complete records of all refunds and exchanges made under this section including an inventory of unsalable wine returned to such wholesaler by any retail licensee.

(b) Such unsalable wine which requires reconditioning shall be returned by the wine wholesaler to the domestic winery which manufactured or produced the same, or to the importer who imported such wine. When wine which has been returned to a domestic winery by any person for reconditioning has been assembled at the winery, a complete inventory in duplicate of unsalable wine shall be filed with the board by the winery with a request that inspection be made of the returned wine before the reconditioning process is started. When wine has been returned by the wholesaler to the importer who imported such wine, a complete inventory of said wine shall be filed in duplicate with the board by the importer with a request that inspection be made of the returned wine before the wine is destroyed or returned to the out-of-state manufacturer.

(c) Except as provided herein, no other adjustment, by way of a cash refund or otherwise, shall be made by the winery or wine wholesaler.

(2) Wine may be returned by a retail licensee or by a governmental agency who has seized the same to the wine wholesaler selling such wine in the event the retailer goes out of the business of selling wine at retail, and in such case a cash refund may be made upon return of the wine, provided that written consent of the board is first had and obtained.

(3) Wine different from that ordered which has been delivered in error to a retail licensee may be returned to a wine wholesaler and either replaced with that wine which was ordered or a cash refund may be made upon the approval of the board first being obtained: *Provided*, That the error in delivery shall be discovered and corrected within eight days of the date the delivery was made. [Statutory Authority: RCW 66.08.030, 66.98.070

and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-24-210, filed 8/9/82; Order 5, § 314-24-210, filed 8/7/69, effective 9/8/69; Rule 83, filed 6/13/63.]

Chapter 314-27 WAC
INTERSTATE COMMERCIAL COMMON
PASSENGER CARRIERS

WAC

314-27-010 Liquor purchases by class CCI licensees—Reports—Payment of markup and taxes—Sales by in-state beer and wine suppliers.

WAC 314-27-010 Liquor purchases by Class CCI licensees—Reports—Payment of markup and taxes—Sales by in-state beer and wine suppliers. (1) Any employee authorized by the board and/or any licensed importer and/or wholesaler may sell liquor to the holder of a Class CCI license upon presentation of a special permit issued by the board to such licensee.

(2) Sales of liquor by the board to such properly licensed interstate commercial common passenger carriers shall be treated as sales for export from the state and, as such, will not be subject to collection of the state liquor taxes at the time of purchase by the licensee.

(3) Every federally licensed interstate commercial common passenger carrier, holding a Class CCI-1 or a Class CCI-2 license pursuant to chapter 245, Laws of 1975 1st ex. sess., shall, on or before the fifteenth day of each month, make a report to the board, upon forms approved by the board, of all spirituous liquor, beer and wine served or sold at retail for passenger consumption by such common carrier within or over the territorial limits of the state of Washington during the preceding calendar month.

At the time of filing the report prescribed herein, such common carrier shall pay to the board the board's markup on spirituous liquor, and state liquor taxes as applicable, on such spirituous liquor, beer and wine so served or sold, in an amount to approximate the revenue that would have been realized from such markup and taxes had such alcoholic beverages been purchased for use in the state.

(4) Holders of Class CCI-3 or Class CCI-4 licenses as provided in said chapter 245, Laws of 1975 1st ex. sess., are not authorized to serve or sell at retail spirituous liquor, beer or wine for passenger consumption within or over the territorial limits of the state, and are not subject to the provisions of subsection (3) of this section.

(5) Licensed beer and wine importers and wholesalers who sell beer or wine to such properly licensed interstate commercial common passenger carriers shall treat such sales as exports from the state. Such importers and wholesalers who have paid the taxes imposed by RCW 66.24.290 or 66.24.210 on beer or wine so sold may claim refund of the taxes under procedures set forth in WAC 314-20-010 or 314-24-110, as applicable. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No.

118), § 314-27-010, filed 8/9/82; Order 42, § 314-27-010, Rule 83.6, filed 11/6/75.]

Chapter 314-38 WAC
PERMITS

WAC

314-38-010 Special permit to consume liquor on the premises of a business not licensed under Title 66 RCW.

WAC 314-38-010 Special permit to consume liquor on the premises of a business not licensed under Title 66 RCW. (1) The special permit provided by RCW 66.20.010(4) to consume liquor on the premises of a business not licensed under Title 66 RCW shall only be issued to businesses at which the service and consumption of liquor is incidental to, and does not form a portion of, the service the business is engaged in producing or marketing. The permit shall not be used by the holder thereof for purposes of stimulating or increasing business from the general public.

(2) Each permit shall be issued for a period of twelve months from the first day of the month in which it is issued. The fee for each permit issued shall be five hundred dollars.

(3) The permit shall be issued for, and service and consumption of liquor will be limited to, specified hospitality rooms and/or dining rooms which shall be on the premises of the business applying for the permit. A separate permit is required for each business premises at which liquor is to be served or consumed. The general public shall not be permitted in the hospitality or dining room at any time during the service or consumption of liquor.

(4) The permit will authorize the service and consumption of liquor, without charge, by employees and invited guests of the business holding the permit. No sale of liquor will be authorized in any manner, whether by scrip, donation, contribution, or otherwise. No charge of any kind may be made by the permittee to invited guests for admission to the hospitality or dining room, or for any meals or other services provided to them in the hospitality or dining room.

(5) All liquor served or consumed under the permit shall be purchased from a Washington state licensed retailer or a Washington state liquor store or agency at full retail price.

(6) The permit shall be issued in the name of the business applying for it, and that business shall not allow any other person, business, or organization to utilize the permit. The issuance of any permit by the board shall not be construed as granting a vested right in any of the privileges so conferred, and a misrepresentation of fact found to have been made by the applicant or permittee shall be deemed a lack of good faith and shall constitute good and sufficient cause for the disapproval of a permit application or for the revocation or suspension of any permit issued by the board. [Statutory Authority: RCW 66.08.030 and 66.20.010. 82-13-068 (Order 106, Resolution No. 115), § 314-38-010, filed 6/16/82.]

Chapter 314-40 WAC
CLUBS

WAC

314-40-010 Operations under retail licenses.
314-40-040 Guest and courtesy cards—Visitors.

WAC 314-40-010 Operations under retail licenses. Clubs operating under any class of retail license shall govern their operations in selling liquor in accordance with the regulations set forth in Title II, applicable to all retail licensees, except as otherwise specifically provided in this title. Such clubs may sell liquor only to members, visitors and guests as specified in these regulations. Licensed clubs shall not be prohibited from renting, leasing or donating all or a portion of their facilities for, or making services available to, a nonclub activity where the public is invited or admitted under conditions as permitted by WAC 314-40-080. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-13-069 (Order 107, Resolution No. 116), § 314-40-010, filed 6/16/82; Order 23, § 314-40-010, filed 7/3/73; Rule 103, filed 6/13/63.]

WAC 314-40-040 Guest and courtesy cards—Visitors. (1) Guest cards may be issued only as follows:

(a) For clubs located within the limits of any city or town, only to those persons residing outside of an area ten miles from the limits of such city or town;

(b) For clubs located outside of any city or town only to those persons residing outside an area fifteen miles from the location of such club: *Provided*, That where such area limitation encroaches upon the limits of any city or town, the entire corporate limits of such city or town shall be included in the prohibited area;

(c) Such guest cards shall be issued for a period not to exceed two weeks and must be numbered serially, with a record of the issuance of each such card to be filed in a manner as to be readily accessible to the agents of the board;

(d) Mileage restrictions in WAC 314-40-040(1)(a) and (b) shall not apply to contestants in golf or tennis tournaments conducted on the grounds of a licensed club.

(2) Visitors may be introduced when accompanied at all times by a member and may remain as long as such member is present in the club: *Provided*, That any such visitor may only enjoy the privileges of the club a reasonable number of times in any one calendar year.

(3) Persons who are members in good standing of a national veterans organization may enjoy the privileges of any licensed club affiliated with any national veterans organization, and persons who are members in good standing of a national fraternal organization may enjoy the privileges of any club affiliated with that particular national fraternal organization: *Provided*, That the by-laws of such clubs authorize reciprocal privileges: *Provided further*, That WAC 314-40-040(1) and (2) shall not apply to members of such organizations.

(4) Persons who are members in good standing of a licensed golf, tennis, or yacht club may enjoy the privileges of any other licensed golf, tennis, or yacht club, respectively: *Provided*, That the bylaws of such clubs authorize reciprocal privileges: *Provided further*, That WAC 314-40-040(1) and (2) shall not apply to members of such clubs.

(5) Courtesy cards may be issued to the adult members of the immediate family of any member with or without charge upon application being made to the club by the member. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-028 (Order 92, Resolution No. 101), § 314-40-040, filed 1/27/82; Rule 106, filed 6/13/63.]

Chapter 314-44 WAC
LICENSED AGENTS

WAC

314-44-005 Agent's license required—Eligible employers defined—Certain classes limited—Bona fide entity defined—Prohibited practices.

WAC 314-44-005 Agent's license required—Eligible employers defined—Certain classes limited—Bona fide entity defined—Prohibited practices. (1) No person shall canvass for, solicit, receive or take orders for the purchase or sale of any liquor, or act as the agent for the purchase or sale of liquor, nor contact any licensees of the board in goodwill activities, unless such person is holder of an agent's license as provided in RCW 66.24-.310, and this regulation.

(2) An agent's license may be issued to the accredited representative of a person, firm, or corporation holding a certificate of approval issued pursuant to RCW 66.24-.270 or 66.24.206, a beer wholesaler's license, a brewer's license, a beer importer's license, a domestic winery license, a wine importer's license, or a wine wholesaler's license within the state of Washington, or the accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor, or foreign produced beer or wine. A person, firm, or corporation so qualified, is herein defined to be an eligible employer. Such employer shall apply to the board for such an agent's license for his accredited representatives on application forms prescribed and furnished by the board.

(3) Every firm which applies for an agent's license under the provisions of this section shall furnish the board with satisfactory proof that such firm is in fact a bona fide business entity.

(4) Only the licensed agent of a distiller, manufacturer, importer, or distributor of spirituous liquor may contact retail licensees in goodwill activities when such contacts pertain to spirituous liquor products.

(5) No distiller, manufacturer, importer, wholesaler or distributor of liquor, or agent thereof, shall solicit either in person, by mail or otherwise, any liquor vendor or employee of the board, except the purchasing agent thereof, for the purpose or with the intent of furthering the sale of a particular brand or brands of merchandise as against another brand or brands of merchandise.

(6) No distiller, manufacturer, importer, wholesaler or distributor of liquor, or agent thereof, shall visit any state liquor store or agency except for the purpose of making a purchase in the usual manner, as any other customer, and such person shall not enter any warehouse, store or agency of the board for the purpose of sales promotion or to secure information regarding inventory or any other matter relating to sales.

(7) No distiller, manufacturer, importer, wholesaler, or distributor of liquor, or agent thereof, shall give or offer to any employee of the board any entertainment, gratuity or other consideration for the purpose of inducing or promoting the sale of merchandise.

(8) No distiller, manufacturer, importer, wholesaler, or distributor, or agent thereof, shall allow, pay or rebate, directly or indirectly, any cash or merchandise to any retail licensee to induce or promote the sale of liquor, including the payment of tips to such licensees or their employees and the purchasing of drinks "for the house." Such persons, firms and licensees must operate in conformity with WAC 314-12-140, RCW 66.28.010, 66.28.040, and other applicable laws and rules.

(9) Upon the infraction of any law or regulation by any distiller, manufacturer, importer, wholesaler, distributor, or agent, the board may, in addition to imposing other penalties as prescribed by law, remove such firm's products from the sales list of the board, and/or prohibit the sale of any brand or brands of beer or wine involved as provided in RCW 66.28.030.

(10) Upon the termination of the employment of a licensed agent, his employer shall immediately notify the board and with such notice return to the board the agent's license issued to such person. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-029 (Order 93, Resolution No. 102), § 314-44-005, filed 1/27/82; Order 46, § 314-44-005, Rule 111, filed 6/9/76. Formerly WAC 314-44-010 and 314-44-020.]

Chapter 314-52 WAC ADVERTISING

WAC

314-52-005	Purpose and application of rules.
314-52-010	Mandatory statements.
314-52-015	General.
314-52-020	Use of insignia or reference to liquor control board prohibited.
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314-52-040	Contests, competitive events, premiums and coupons.
314-52-060	Repealed.
314-52-070	Outdoor advertising.
314-52-080	Novelty advertising.
314-52-085	Programs and program folders.
314-52-090	Advertising sponsored jointly by retailers and manufacturers, importers, or wholesalers, prohibited.
314-52-110	Advertising by retail licensees.
314-52-111	Repealed.
314-52-112	Repealed.
314-52-113	Brand signs and point-of-sale displays on retail licensed premises.
314-52-115	Advertising by clubs—Signs.
314-52-120	Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

314-52-060	Picture screen advertising prohibited. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-060, filed 7/18/80; Order 46, § 314-52-060, Rule 121, filed 6/9/76; 121, filed 6/13/63.] Repealed by 82-17-031 (Order 108, Resolution No. 117), filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW.
314-52-111	Advertising by retail licensees—On premises. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-111, filed 7/18/80; 78-02-056 (Order 62), § 314-52-111, filed 1/20/78; Order 46, § 314-52-111, Rule 126.1, filed 6/9/76.] Repealed by 82-17-031 (Order 108, Resolution No. 117), filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW.
314-52-112	Advertising by retail licensees—Off premises. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-112, filed 7/18/80; Order 46, § 314-52-112, Rule 126.2, filed 6/9/76.] Repealed by 82-17-031 (Order 108, Resolution No. 117), filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW.
314-52-120	Advertising by holders of special occasion Class G or J retail licenses. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-120, filed 7/18/80; 78-02-056 (Order 62), § 314-52-120, filed 1/20/78; Order 46, § 314-52-120, Rule 126.6, filed 6/9/76.] Repealed by 82-17-031 (Order 108, Resolution No. 117), filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW.

WAC 314-52-005 Purpose and application of rules.

(1) PREAMBLE: The purpose of this title is to provide reasonable regulations as to the kind, character and location of advertising of liquor, as authorized by RCW 66.08.060.

(2) No person engaged in business as a producer, manufacturer, bottler, importer, wholesaler, or retailer of liquor, directly or indirectly, or through an affiliate, shall publish or disseminate or cause to be published or disseminated in any media any advertisement of liquor, unless such advertisement is in conformance with these rules: *Provided*, That these provisions shall not apply to the publisher of any newspaper, magazine or similar publication, nor to the operator of any radio or television station unless such publisher or operator is engaged in business as a producer, manufacturer, bottler, importer, wholesaler, or retailer of liquor, directly or indirectly, or through an affiliate.

(3) The board holds each producer, manufacturer, bottler, importer, wholesaler, or retailer of liquor responsible for complying with the advertising rules of the Washington state liquor control board in any advertising material placed by them or on their behalf by their agents. If desired, advertising may be submitted prior to publication for an advisory opinion by the advertising coordinator of the Washington state liquor control board, but advisory opinions will be restricted to advertising material submitted by said producers, manufacturers, bottlers, importers, wholesalers, or retailers of liquor, or their agents. (EXCEPTION TO FOREGOING:

WAC 314-52-070(3) requires that all outdoor signs advertising sale of liquor by a retail licensee must be submitted by the licensee for board approval prior to installation.)

(4) Liquor advertising materials intended for placement in retail outlets of the Washington state liquor control board shall be presented to the advertising coordinator of the Washington state liquor control board for prior approval before placement, and shall be refused such placement if such advertising is found by the coordinator to exceed the definition of institutional or educational advertising as defined in WAC 314-52-015, or if the advertising is viewed as inappropriate for placement in a state-operated retail outlet: *Provided, however,* That advertising on, or attached to, the product package in a manner acceptable to the board merchandising committee under the provisions of WAC 314-52-040 shall not be prohibited under this rule. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-005, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-005, filed 7/18/80; Order 46, § 314-52-005, Rule 115.5, filed 6/9/76; Order 10, § 314-52-005, Rule 115.5, filed 10/27/70, effective 11/27/70.]

WAC 314-52-010 Mandatory statements. (1) Brand advertising of spirituous liquor by any manufacturer shall contain the following information:

(a) The name and address of the manufacturer responsible for its publication. (Street number may be omitted.)

(b) A conspicuous statement of the class to which the product belongs and the type thereof corresponding with the statement of class and type which is required by federal regulations to appear on the label of the product.

(c) A statement of the alcoholic content by proof, except that for cordials and liqueurs, gin fizzes, cocktails, highballs, bitters and other specialties, the alcoholic content may be stated in percentage by volume or by proof.

(d) In the case of distilled spirits (other than cordials, liqueurs and specialties) produced by blending or rectification, if neutral spirits have been used in the production thereof, there shall be stated the percentage of neutral spirits so used and the name of the commodity from which such neutral spirits have been distilled.

(e) In the case of neutral spirits or of gin produced by a process of continuous distillation, there shall be stated the name of the commodity from which such neutral spirits or gin has been distilled.

(2) Brand advertising of wine by any manufacturer or wholesaler shall contain the following information:

(a) The name and address of the manufacturer or wholesaler responsible for its publication. (Street number may be omitted.)

(b) A conspicuous statement of the class, type or distinctive designation to which the product belongs, corresponding with the statement of class, type, or distinctive

designation which is required by federal regulation to appear on the label of the product.

(3) Brand advertising of malt beverages by any manufacturer, importer, or wholesaler shall contain the following information:

(a) The name and address of the manufacturer, importer or wholesaler responsible for publication of the advertisement. (Street number may be omitted.)

(b) A conspicuous statement of the class to which the product belongs, corresponding to the statement of class which is required by federal regulations to appear on the label of the product.

(4) Alcoholic content of beer. Retail licensees who choose to offer beer for sale at both less than four percent by weight and more than four percent by weight, alcoholic content, packaged in identical packages, shall be required to separate the two strengths of beer in their displays, and shall be required to identify by point-of-sale advertising which is the higher strength and which is the lower strength beer. Manufacturers, importers and wholesalers of such beer shall supply such shelf tickets free of charge to retail licensees: *Provided, however,* That no promotion of the higher alcoholic content shall be included in such advertising. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-010, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-010, filed 7/18/80; Order 46, § 314-52-010, Rule 116, filed 6/9/76; Rule 116, filed 6/13/63.]

WAC 314-52-015 General. Institutional advertising shall mean advertising which promotes company or brand name identification, but does not directly solicit purchase or consumption of liquor. Educational advertising shall mean factual information on liquor, its manufacture, history, consumption and methods of ascertaining the quality of various types of liquors such as German wines, French cognacs, or other classifiable types of product. All liquor advertising shall be modest, dignified and in good taste and shall not contain:

(1) Any statement or illustration that is false or misleading in any material particular.

(2) Any statement, picture, or illustration which promotes overconsumption.

(3) Any statement, picture, illustration, design, device, or representation which is undignified, obscene, indecent, or in bad taste.

(4) Any statement, design, device, or representation of or relating to analyses, standards, or tests, irrespective of falsity, which is likely to mislead the consumer.

(5) Any statement, design, device, or representation of or relating to any guaranty, irrespective of falsity, which is likely to mislead the consumer.

Nothing in this section shall prohibit the use of any enforceable guaranty in substantially the following form: "We will refund the purchase price to the purchaser if he is in any manner dissatisfied with the contents of this package."

(6) Any statement that the product is produced, blended, made, bottled, packed or sold under, or in accordance with, any authorization, law, or regulation of any municipality, county, or state, federal or foreign government unless such statement is required or specifically authorized by the laws or regulations of such government; and if municipal, state or federal permit number is stated, such permit number shall not be accompanied by any additional statement relating thereto.

(7) Any statement, design or device representing that the use of liquor has curative or therapeutic effects, if such statement is untrue in any particular, or tends to create a misleading impression.

(8) Any statement, picture, or illustration implying that the consumption of liquor enhances athletic prowess, or any statement, picture, or illustration referring to any known athlete, if such statement, picture, or illustration implies, or if the reader may reasonably infer, that the use of liquor contributed to such known athlete's athletic achievements.

(9) Any depiction of a child or other person under legal age to consume liquor; any depiction of objects, such as toys, suggestive of the presence of a child, nor any other depiction designed in any manner as to be especially appealing to children or other persons under legal age to consume liquor.

(10) Any reference to any religious character, sign or symbol, except in relation to kosher wines or where such are a part of an approved label. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-015, filed 8/11/82. Statutory Authority: RCW 66.08-030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-015, filed 7/18/80. Statutory Authority: RCW 66.08.030, 66.08-060, 66.08.070, and Title 34 RCW. 79-08-036 (Order 68, Resolution 77), § 314-52-015, filed 7/17/79; Order 46, § 314-52-015, Rule 116.5, filed 6/9/76; Order 10, § 314-52-015, Rule 116.5, filed 10/27/70, effective 11/27/70.]

WAC 314-52-020 Use of insignia or reference to liquor control board prohibited. No liquor advertising shall use any insignia that may be in use by the Washington state liquor control board, nor shall any such advertising refer to the Washington state liquor control board. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-020, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-020, filed 7/18/80; Order 46, § 314-52-020, Rule 117, filed 6/9/76; Order 10, § 314-52-020, filed 10/27/70, effective 11/27/70; Rule 117, filed 6/13/63.]

WAC 314-52-030 Liquor advertising prohibited in school publications. No liquor advertising shall be carried in any publication connected or affiliated with any elementary or secondary schools; nor shall any liquor advertising be connected with such schools when broadcast over radio or television: *Provided*, That institutional

advertising, as defined in WAC 314-52-015, may be carried, if the board advertising coordinator interposes no objection. [Statutory Authority: RCW 66.08.030, 66-98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-030, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98-070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-030, filed 7/18/80; Order 46, § 314-52-030, Rule 118, filed 6/9/76; Order 10, § 314-52-030, filed 10/27/70, effective 11/27/70; Rule 118, filed 6/13/63.]

WAC 314-52-040 Contests, competitive events, premiums and coupons. Liquor advertisements may offer consumers premiums or prizes, upon completion of any coupon, contest, or competitive event, which may or may not require proof of purchase of the advertised product: *Provided, however*, That contests or sweepstakes that offer prizes or premiums to consumers through a game of chance or random drawing, shall not require proof of purchase, and must comply with the requirements of RCW 9.46.020(14) regarding lotteries: *And provided further*, That no liquor advertisements by manufacturers, importers, or wholesalers may offer any premium or prize redeemable through a Washington state liquor store or any retail liquor outlet licensed by the state of Washington. [Statutory Authority: RCW 66.08.030, 66-98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-040, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98-070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-040, filed 7/18/80; Order 46, § 314-52-040, Rule 119, filed 6/9/76; Order 10, § 314-52-040, filed 10/27/70, effective 11/27/70; Rule 119, filed 6/13/63.]

WAC 314-52-060 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-52-070 Outdoor advertising. (1) "Outdoor advertising" as used in these regulations shall include any form of outdoor advertisement of liquor or the service of liquor which is visible to the general public: *Provided, however*, That advertisements visible through windows or affixed to exterior walls of a licensed premises, although visible to the general public, shall be governed as otherwise provided in these regulations.

(2) "Signs" as used in these regulations shall include all visual forms of advertising liquor or the service of liquor whether illuminated or nonilluminated, single-faced or multiple faced, stationary or revolving: *Provided, however*, That "point-of-sale" signs and material shall be defined and governed as otherwise provided in WAC 314-52-113.

(3) Sketches, in triplicate, of all outdoor signs advertising the sale of liquor by a retail licensee, shall be submitted by the licensee, applicant, or their agent, to the board advertising coordinator prior to installation: *Provided, however*, That outdoor readerboard messages and/or interior signs visible through a window of a

premises shall be in conformance with WAC 314-52-015 and need not be submitted to the board.

(4) Outdoor signs and other outdoor advertising matter shall be designed, installed and used in a manner not offensive to the public.

(5) No outdoor advertising of liquor shall be placed in proximity to schools, churches, or playfields used primarily by minors, where administrative body of said schools, churches, playfields, object to such placement, nor any place which the board in its discretion finds contrary to the public interest.

(6) Signs bearing the room name and/or the words "bar," "cocktails," "lounge," may be placed in the vicinity of the principal entrances to the premises. No such signs or advertisements shall be installed at or near doorways designed for exit purposes only. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-070, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-070, filed 7/18/80; 78-02-056 (Order 62), § 314-52-070, filed 1/20/78; Order 46, § 314-52-070, Rule 122, filed 6/9/76; § 314-52-070, filed 10/27/70, effective 11/27/70; Order 2, § 314-52-070, filed 5/1/69; Rule 122, filed 6/13/63.]

WAC 314-52-080 Novelty advertising. (1) Novelty advertising items shall include, but shall not be limited to, trays, lighters, blotters, post cards, pencils, coasters, menu cards, meal checks, napkins, clocks, wearing apparel, mugs, glasses, knives, lamp shades, or similar items on which the logo, liquor brand name or name of a manufacturer of an alcoholic beverage has been imprinted.

(2) No liquor manufacturer, wholesaler, or importer, or employee thereof, shall provide without charge, directly or indirectly, any novelty advertising items to any retail licensee; nor shall any retail licensee, or employee thereof, accept without charge any liquor novelty advertising items directly or indirectly, from any manufacturer, wholesaler, or importer, or employee thereof.

(3) A manufacturer, wholesaler, or importer, or employee thereof, may sell, and a retail licensee may purchase, for use, resale, or distribution on the licensed premises any novelty advertising items. The price thereof shall be in conformity with the open market price in the locality where sold. In no event shall credit be extended to any retail licensee. The purchase by retail licensees of such items shall be supported by invoices or signed vouchers which shall be preserved for two years on premises available for immediate inspection by board enforcement officers.

(4) A manufacturer, importer, or wholesaler who sells novelty advertising items to retail licensees shall keep on file the originals or copies of all sales slips, invoices, and other memoranda covering all purchases of novelty advertising items from the supplier or manufacturer of such items and shall also keep on file a copy of all invoices, sales slips, or memoranda reflecting the sales to licensees or other disbursement of all novelty advertising

items. Such records shall be maintained in a manner satisfactory to the board and must be preserved in the office of the manufacturer, importer, or wholesaler for a period of at least two years after each purchase or sale. Any manufacturer which does not maintain a principal office within the state shall, when requested, furnish the above required records at a designated location within the state for review by the board. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-080, filed 8/11/82. Statutory Authority: RCW 66.08-.030, 66.08.060, 66.98.070, and Title 34 RCW. 81-04-011 (Order 76, Resolution 85), § 314-52-080, filed 1/28/81; 80-09-078 (Order 73, Resolution 82), § 314-52-080, filed 7/18/80; 78-02-056 (Order 62), § 314-52-080, filed 1/20/78; Order 46, § 314-52-080, Rule 123, filed 6/9/76; Order 10, § 314-52-080, filed 10/27/70, effective 11/27/70; Rule 123, filed 6/13/63.]

WAC 314-52-085 Programs and program folders. Programs and program folders, for the purpose of this section, shall mean brochures for use at sporting arenas which have, as a part of their operations, whether directly or indirectly, a retail licensed premises. No manufacturer, importer, wholesaler, or their agent, shall provide, without cost, directly or indirectly, programs or program folders for retail licensees: *Provided, however,* That sporting arenas as described above, or their agents may accept bona fide liquor advertising from manufacturers, importers, wholesalers or their agents, for publication in the program or program folder of the sporting arena: *Provided further,* That such advertising is paid for by said manufacturer, importer, wholesaler or their agent at the published advertising rate for all program or program folder advertisers, including nonliquor advertisers: *And also provided,* That such advertising shall carry with it no express or implied offer on the part of the manufacturer, importer, wholesaler or their agent, or promise on the part of the retail licensee whose operation is directly or indirectly part of the sporting arena, to stock or list any particular brand of liquor to the total or partial exclusion of any other brand. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-085, filed 8/11/82.]

WAC 314-52-090 Advertising sponsored jointly by retailers and manufacturers, importers, or wholesalers, prohibited. (1) The name of a retail licensee shall not appear in, or as a part of, or supplementary to, any advertising of a manufacturer, importer or wholesaler. The brand name of liquor may appear in or as a part of advertising by a retail licensee: *Provided,* That such advertising is upon the retail licensee's free initiative and no moneys or moneys' worth has been offered the retail licensee as an inducement to secure such mention by any manufacturer, importer, or wholesaler or their agent, or solicited by the retail licensee or his agent.

(2) RCW 66.28.010 shall also apply to joint advertising insofar as it is relevant. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-

031 (Order 108, Resolution No. 117), § 314-52-090, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-090, filed 7/18/80; 78-02-056 (Order 62), § 314-52-090, filed 1/20/78; Order 46, § 314-52-090, Rule 124, filed 6/9/76; Order 10, § 314-52-090, filed 10/27/70, effective 11/27/70; Rule 124, filed 6/13/63.]

WAC 314-52-110 Advertising by retail licensees.

(1) Every advertisement by a retail licensee shall carry the licensed trade name or the registered franchise name or the trademark name. The term "trade name" shall be defined as the "licensed trade name" as it appears on the license issued to the licensee: *Provided, however*, That such words as tavern, cafe, grocery, market, food store, food center, delicatessen, wine shop, beer parlor and other similar words used to identify the type of business licensed, and numbers used to identify chain licensees of the same trade name, shall neither be required nor prohibited as part of the trade name in advertisements: *And provided further*, That advertisements by public Class H licensees may also refer to cocktails, bar, lounge and/or the "room name." The term "room name" shall be defined as the name of the room designated as the cocktail lounge and/or the dining room if both are in the same room.

(2) Beer, wine or spirituous liquor shall not be advertised, offered for sale or sold at less than cost, or as a loss leader, as defined in, or other than as provided in the Unfair Practices Act, chapter 19.90 RCW. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-110, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-110, filed 7/18/80; Order 46, § 314-52-110, Rule 126, filed 6/9/76; Order 10, § 314-52-110, filed 10/27/70, effective 11/27/70; Rule 126, filed 6/13/63.]

WAC 314-52-111 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-52-112 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-52-113 Brand signs and point-of-sale displays on retail licensed premises. Manufacturers, importers or wholesalers may furnish brand signs and point-of-sale material under the following conditions:

(1) The brand signs and point-of-sale material shall have no value to the retailer except as brand advertisement; such signs as those which provide illumination for cash registers, pool tables and other parts of the premises, have a functional value and are not authorized. The brand signs and point-of-sale material shall remain the property of, and be the responsibility of, the manufacturers, importers or wholesalers.

(2) The term "point-of-sale material" as used herein, shall include such manufacturer, importer or wholesaler-supplied items as display cards, placards, table

tents, recipes, display bins, decalcomanias, price cards, shelf strips, product information pamphlets, bottle hangers, matches, scorecards, calendars, and other such brand advertising material for display at the point of sale. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-113, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-113, filed 7/18/80; 78-02-056 (Order 62, § 314-52-113, filed 1/20/78; Order 46, § 314-52-113, Rule 126.3, filed 6/9/76.)

WAC 314-52-115 Advertising by clubs--Signs. (1)

Clubs shall not engage in any form of soliciting or advertising which may be construed as implying that the club operates a public Class H premises, a tavern open to the public, or that social functions at which club liquor may be consumed, are open to the public: *Provided, however*, Circularizing membership shall not be considered advertising, and where clubs provide lunch or dinner to the public, this may be advertised: *Provided further*, Such advertising must specify no liquor service is available.

(2) Outdoor signs as defined in WAC 314-52-070 shall make no direct or indirect reference to the sale or service of liquor.

(3) Clubs and/or their auxiliary organizations may advertise social or other club events to their membership through the public media: *Provided*, Such advertising is clearly directed to their membership only and cannot be construed as implying that the general public is welcome to attend.

(4) Advertising of the club functions by means of placards placed for public viewing shall be governed by the provisions of WAC 314-52-115(3) above.

(5) Advertising may be directed to the public generally in connection with events of special public interest such as Flag Day, Memorial Day, Veterans Day or such other occasions, under provisions set forth in WAC 314-40-080(3).

(6) Clubs desiring to have radio or television broadcasts originating from their licensed premises may do so: *Provided*, That such broadcasts consist only of entertainment or other matter which is in the public interest and may not contain any announcement of opening or closing hours, any invitation to visit the club, or any statement which may be construed as advertising or any implication that the club is operated as a public place. The only reference to the club during such broadcasts shall be limited to a statement at the opening and closing of the program as originating from the club quarters. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-031 (Order 108, Resolution No. 117), § 314-52-115, filed 8/11/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070, and Title 34 RCW. 80-09-078 (Order 73, Resolution 82), § 314-52-115, filed 7/18/80; Order 46, § 314-52-114 (codified WAC 314-52-115), Rule 126.5, filed 6/9/76; Order 10, § 314-52-114, Rule 126.5, filed 10/27/70,

effective 11/27/70. Formerly WAC 314-40-090 (part), Rule 111, filed 6/13/63.]

WAC 314-52-120 Repealed. See Disposition Table at beginning of this chapter.

Chapter 314-60 WAC PUBLIC RECORDS

WAC

314-60-030	Description of central and field organization of Washington state liquor control board.
314-60-040	Operations and procedure.
314-60-150	Repealed.
314-60-900	Repealed.
314-60-901	Repealed.
314-60-902	Repealed.
314-60-903	Repealed.
314-60-904	Repealed.
314-60-905	Repealed.
314-60-906	Repealed.
314-60-907	Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

314-60-150	Adoption of forms. [Order 56, § 314-60-150, filed 5/31/77, effective 7/1/77; Order 22, § 314-60-150, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-900	Organization chart (Appendix A). [Order 56, Appendix A (codified as WAC 314-60-900), filed 5/31/77, effective 7/1/77; Order 22, Appendix A, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-901	Formal hearings (Appendix B). [Order 56, Appendix B (codified as WAC 314-60-901), filed 5/31/77, effective 7/1/77; Order 22, Appendix B, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-902	Notice of proposed order of summary license suspension (Appendix C). [Order 56, Appendix C (codified as WAC 314-60-902), filed 5/31/77, effective 7/1/77; Order 22, Appendix C, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-903	Notice of proposed order of summary license suspension with added penalty (Appendix C). [Order 56, Appendix C (codified as WAC 314-60-903), filed 5/31/77, effective 7/1/77; Order 22, Appendix C, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-904	Notice of proposed order of summary license suspension with option for monetary penalty (Appendix C). [Order 56, Appendix C (codified as WAC 314-60-904), filed 5/31/77, effective 7/1/77; Order 22, Appendix C, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-905	Notice of proposed order of summary license suspension with directions to implement option for monetary penalty (Appendix C). [Order 56, Appendix C (codified as WAC 314-60-905), filed 5/31/77, effective 7/1/77; Order 22, Appendix C, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97,

Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.

314-60-906	Resolution No. 41 (Appendix D). [Order 56, Appendix D (codified as WAC 314-60-906), filed 5/31/77, effective 7/1/77; Order 22, Appendix D, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.
314-60-907	Request for public record (Appendix E). [Order 56, Appendix E (codified as WAC 314-60-907), filed 5/31/77, effective 7/1/77; Order 22, Appendix E, filed 4/17/73, effective 5/18/73.] Repealed by 82-04-030 (Order 97, Resolution No. 106), filed 1/27/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW.

WAC 314-60-030 Description of central and field organization of Washington state liquor control board. The board is an agency created to exercise the police power of the state in administering and enforcing all of the laws and regulations relating to alcoholic beverage control (Title 66 RCW).

(1) The board's major areas of activity are:

(a) Purchase, distribution and sale of liquor in the original package through its stores and agencies.

(i) All spirituous liquor in the original package is exclusively sold by the board.

(ii) Wines and malt beverages in the original package are sold by the board, and wines and beer can, under appropriate license, be sold by licensees.

(b) The licensing of the manufacture, distribution and sale of liquor. Licenses to retailers involve many different classifications and categories for the sale of liquor for on-premises and off-premises consumption. Licenses are also issued to manufacturers, breweries, wholesalers, importers, etc.

(c) The inspection of the activities and operations of liquor licensees and the enforcement of the liquor laws of the state of Washington and the rules and regulations of the board.

(2) The administrative offices of the Washington state liquor control board and its staff are located at:

(a) Main office, Capitol Plaza Building, 1025 East Union Avenue, Olympia.

(b) Distribution center and stores and agencies division, 4401 East Marginal Way South, Seattle.

(c) Enforcement offices, including one at Olympia and one at the Seattle distribution center, are maintained in major cities throughout the state.

(d) Stores and agencies are maintained in cities, towns, and areas throughout the state. [Statutory Authority: RCW 66.08.030 and Title 34 RCW. 82-04-030 (Order 97, Resolution No. 106), § 314-60-030, filed 1/27/82; Order 22, § 314-60-030, filed 4/17/73, effective 5/18/73.]

WAC 314-60-040 Operations and procedure. The general course and method by which the operations of the board are channeled and determined are illustrated by the following:

(1) An organizational chart is available from the board's public records office which illustrates the general structure and composition of the board's operations.

(2) Board procedures relating to hearings involving alleged violations of the liquor act and/or revised rules and regulations of the board are covered in Title X Hearings WAC 314-04-010, and in Title XIV Practice and Procedure WAC 314-08-010 through 314-08-590.

(a) General information pertaining to formal hearings is available from the board's public records office.

(b) Forms of notice of proposed order of summary license suspension are available from the board's public records office.

(3) Pursuant to the requirements of the Open Public Meetings Act (chapter 42.30 RCW) all determinations and business of the board, except exempt matters, are made and conducted at its regular and/or special meetings. Regular meetings of the board are held on Monday through Friday of each week, except on holidays, beginning at 9:30 a.m. or as soon thereafter as a quorum is assembled at its offices on the Fifth Floor, Capitol Plaza Building, 1025 East Union Avenue, Olympia, Washington. [Statutory Authority: RCW 66.08.030 and 42.30.070. 82-10-021 (Order 104, Resolution No. 113), § 314-60-040, filed 4/28/82. Statutory Authority: RCW 66.08.030 and Title 34 RCW. 82-04-030 (Order 97, Resolution No. 106), § 314-60-040, filed 1/27/82; Order 56, § 314-60-040, filed 5/31/77, effective 7/1/77; Order 22, § 314-60-040, filed 4/17/73, effective 5/18/73.]

WAC 314-60-150 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-900 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-901 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-902 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-903 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-904 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-905 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-906 Repealed. See Disposition Table at beginning of this chapter.

WAC 314-60-907 Repealed. See Disposition Table at beginning of this chapter.

Chapter 314-62 WAC

LIQUOR LAW PAMPHLETS AND ANNUAL REPORTS

WAC
314-62-010 Liquor law pamphlets.

314-62-020 Annual reports.

WAC 314-62-010 Liquor law pamphlets. Pursuant to RCW 66.08.030 as amended by section 1, chapter 115, Laws of 1977 ex. sess., pamphlets containing the liquor laws (Title 66 RCW and other liquor related statutes) and the revised rules and regulations of the board shall be made available through the Board's Central Office Services Division, 1025 East Union Avenue, Olympia, Washington 98504, for distribution, upon request, to any member of the public. An updating service covering amendments to the Liquor Act and the Revised Rules and Regulations of the Board shall also be available for such distribution. Charges shall be made for these items as directed by the board from time to time to cover the costs of printing and handling.

Provided, however, That copies of the liquor laws and regulations and the update service shall be provided without charge as follows: (1) To the secretary of the senate for use of senate committees, fifteen copies; (2) to the chief clerk of the house for use of house committees, twenty copies; (3) to the state library, two copies; (4) to the state law library, two copies; (5) to licensees of the board, one copy each; (6) to recognized news reporting services maintaining permanent offices at the capitol, one copy each. One copy shall also be provided without charge, upon request, to legislators, governmental and nonprofit organizations, academic research students, libraries, and alcoholism information and treatment centers. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-19-116 (Order 81, Resolution 90), § 314-62-010, filed 9/23/81; 78-02-039 (Order 63), § 314-62-010, filed 1/17/78.]

WAC 314-62-020 Annual reports. Pursuant to RCW 66.08.028, the board makes annual reports to the governor covering the administration and enforcement of the Liquor Act during the preceding fiscal year. Copies of this report shall be available through the Board's Central Office Services Division, 1025 East Union Avenue, Olympia, Washington 98504, for distribution, upon request, to any member of the public. A charge as directed by the board from time to time to cover the costs of printing and handling shall be made for each copy of this report: *Provided, however,* That copies of the annual report shall be provided without charge as follows: (1) To the secretary of the senate for use of senate committees, fifteen copies; (2) to the chief clerk of the house for use of house committees, twenty copies; (3) to the state library, two copies; (4) to the state law library, two copies; (5) to licensed agents of suppliers of liquor with whom the board does business, one copy each; (6) to recognized news reporting services maintaining permanent offices at the capitol, one copy each. One copy of the annual report shall also be provided without charge, upon request, to legislators, governmental and nonprofit organizations, academic research students, libraries, and alcoholism information and treatment centers. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-19-116 (Order 81, Resolution 90), § 314-62-020, filed 9/23/81; 78-05-003 (Order 65, Resolution

74), § 314-62-020, filed 4/6/78; 78-02-039 (Order 63), § 314-62-020, filed 1/17/78.]

Chapter 314-64 WAC LIQUOR SAMPLES

WAC

314-64-030	Procedures for chemical analysis.
314-64-040	Procedures for board samples.
314-64-050	Accounting for board samples.
314-64-060	Purpose.
314-64-070	Definition.
314-64-080	Procedures.
314-64-090	Accounting.

WAC 314-64-030 Procedures for chemical analysis.
Procedures for submitting samples of beer or wine for chemical analysis are as follows:

(1) Quantity. Samples shall consist of two containers of approximately 375 milliliters each or one container of approximately 750 milliliters: *Provided*, That if such beer or wine is available only in containers of larger capacity, such a sample may be submitted in such package size nearest in quantity to the aforementioned sizes.

(2) Identification. Suppliers shall identify the items on the cartons and shipping documents as "samples for chemical analysis."

(3) Shipping instructions. Suppliers shall deliver or ship samples prepaid to Washington State Liquor Control Board Distribution Center, Attention Manufacturers, Importers, and Wholesalers Division, 4401 East Marginal Way South, Seattle, Washington 98134.

(4) Use and disposition of samples. Samples of beer and wine submitted for chemical analysis shall be analyzed at the Washington State Food and Drug Laboratory, University of Washington, for alcoholic content and to determine whether they conform to standards of identity and quality standards prescribed by board regulations. After such analysis, any remaining portion of said samples shall be disposed of by laboratory personnel.

(5) Reports. The laboratory shall report its findings on appropriate forms to the board's manufacturers, importers, and wholesalers division and the controller of the board. Based on the findings, and other statutory and regulatory requirements, the manufacturers, importers, and wholesalers division shall either issue a certificate of label approval to the supplier, or notify the supplier that a certificate of label approval has been denied, along with the reasons for the denial.

(6) Excess. Beer or wine received in excess of the quantity authorized in WAC 314-64-030 for chemical analysis will be held by the general manager of the distribution center or his designee until the supplier has been notified of the overshipment and given fifteen days in which to respond as to whether he wants the excess returned to him at his expense. Failure of the supplier to respond within the time limitation or notification from the supplier that he does not want the excess returned to him, will result in the excess item or items being destroyed by a liquor control board auditor in the presence

of the general manager of the distribution center, or his designee, after which a destruction notice will be prepared by the auditor and be certified by the general manager of the distribution center, or his designee, who witnessed the destruction. Copies of such destruct notices shall be distributed to the general manager of the distribution center and the liquor control board controller in Olympia. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-035 (Order 95, Resolution No. 104), § 314-64-030, filed 1/28/82; Order 57, § 314-64-030, filed 7/28/77, effective 9/1/77; Order 40, § 314-64-030, filed 8/21/75.]

WAC 314-64-040 Procedures for board samples.
Procedures for submitting samples to the board for the purpose of negotiating the sale of liquor to the board are as follows:

(1) Quantity. Samples shall not exceed in quantity that authorized by the U.S. Bureau of Alcohol, Tobacco and Firearms.

(2) Identification. Suppliers shall identify the items on the cartons and shipping documents as "samples for the board."

(3) Shipping instructions. Suppliers shall deliver or ship samples prepaid to the Washington State Liquor Control Board, Attention Liquor Purchasing Agent, 1025 East Union Avenue, Olympia, Washington 98504.

(4) Use and disposition of samples. Samples furnished for the purpose of negotiating the sale of liquor to the board shall be examined and tested by members of the board, or their designees, and/or the liquor purchasing agent, or his designee, for appearance, aroma and taste, and to determine their probable customer acceptability. After such examination and testing, any remaining portion of said samples shall be disposed of by members of the board, or their designees who examined and tested said samples, or by the purchasing agent, or his designee who examined and tested said samples.

(5) Reports. Members of the board, or their designees, and/or the liquor purchasing agent, or his designee, shall report their findings and recommendations on appropriate forms to the liquor purchasing agent for consolidation and report to the board. The board shall consider such findings and recommendations, along with other documents furnished by the supplier, in determining whether the items represented by the samples shall be purchased by the board for resale through state liquor stores.

(6) Excess. Samples received in excess of the quantity authorized in WAC 314-64-040 for the purpose of negotiating the sale of liquor to the board will be held by the liquor board purchasing agent until the supplier has been notified of the overshipment and given fifteen days in which to respond as to whether he wants the excess returned to him at his expense. Failure of the supplier to respond within the time limitation, or notification from the supplier that he does not want the excess returned to him, will result in the excess item or items being destroyed by a liquor control board auditor in the presence of the liquor purchasing agent, or his designee, after

which a destruction notice will be prepared by the auditor and be certified by the liquor board purchasing agent or his designee who witnessed the destruction. Copies of such destruct notices shall be distributed to members of the board, the liquor purchasing agent, and the liquor control board controller.

(7) Containers. Containers submitted to the board for the purpose of negotiating the sale of liquor shall, after examination by the board and/or the liquor purchasing agent, be disposed of as follows:

(a) Figurines, decanters, or other decorative containers may be retained for public display in the board offices in Olympia. After such display, the containers shall be disposed of as provided in WAC 314-64-040(7)(b).

(b) Figurines, decanters, or other decorative containers will be held by the liquor purchasing agent until the supplier has been notified that the containers have been examined by the board, and the supplier will be given fifteen days in which to respond as to whether he wants the containers returned to him at his expense. Failure of the supplier to respond within the time limitation, or notification from the supplier that he does not want the containers returned to him, will result in the containers being disposed of as surplus property, pursuant to RCW 43.19.1919, if the anticipated revenue to be derived from the sale of the containers as surplus property is deemed to exceed the anticipated costs attributable to the sale.

(c) Containers whose anticipated revenue to be derived from their sale as surplus property is deemed not to exceed the anticipated costs attributable to the sale shall be disposed of by members of the board, or their designees who examined and tested said samples, or by the liquor purchasing agent, or his designee who examined and tested said samples. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-035 (Order 95, Resolution No. 104), § 314-64-040, filed 1/28/82; Order 40, § 314-64-040, filed 8/21/75.]

WAC 314-64-050 Accounting for board samples. Samples shall be accounted for as follows:

(1) Beer and wine submitted to the board for chemical analysis.

(a) Upon receipt of the samples at the distribution center in Seattle, the general manager of the distribution center, or his designee, shall prepare a multiple-copy receiving and disposition report for said samples, clearly identifying them as "samples for chemical analysis." If they are hand-delivered by the supplier, the supplier will be given a receipt.

(b) The general manager of the distribution center, or his designee, shall sign the multiple-copy receiving and disposition report in the applicable section indicating receipt of samples.

(c) If more than the amount authorized in WAC 314-64-030 is received, the general manager of the distribution center, or his designee, shall prepare a separate receiving report for the excess samples and dispose of them as provided in WAC 314-64-030(6).

(d) The general manager of the distribution center, or his designee, shall deliver the multiple-copy receiving and disposition report, with the applicable samples, to a

representative of the manufacturers, importers, and wholesalers division in the Seattle distribution center.

(e) The said representative of the manufacturers, importers, and wholesalers division shall sign the multiple-copy receiving and disposition report in the applicable section, indicating his receipt of the samples.

(f) The general manager of the distribution center, or his designee, shall distribute the signed multiple-copies of the receiving and disposition report as follows: The original and three copies to the manufacturers, importers, and wholesalers division in Seattle, one copy to the general manager of the distribution center, and one copy to the liquor board controller in Olympia.

(g) A representative of the manufacturers, importers, and wholesalers division shall deliver the original and remaining copies of the receiving and disposition reports, with the applicable samples, to the Washington State Food and Drug Laboratory, University of Washington, for chemical analysis and report as provided in WAC 314-64-030.

(h) A representative of the Washington State Food and Drug Laboratory shall sign the receiving and disposition reports in the applicable sections, indicating receipt of the samples at the laboratory.

(i) A representative of the manufacturers, importers, and wholesalers division shall distribute the signed receiving and disposition reports as follows: The original to the liquor control board controller in Olympia, one copy to the representative of the Washington State Food and Drug Laboratory, one copy to the manufacturers, importers, and wholesalers division in Olympia, and one copy to be retained by the manufacturers, importers, and wholesalers division in Seattle.

(j) The liquor control board controller in Olympia shall maintain the official copies of the receiving and disposition reports chemical analysis reports, and, where applicable, the destruction notices.

(2) Malt liquor, wine or spirits submitted to the board for the purpose of negotiating the sale of liquor to the board.

(a) Upon receipt of the samples by the liquor purchasing agent in Olympia, the liquor purchasing agent, or his designee, shall prepare a multiple-copy receiving and disposition report for said samples, clearly identifying them as "samples for the purpose of negotiating the sale of liquor to the board."

(b) If more than the amount authorized in WAC 314-64-040 is received, the liquor purchasing agent, or his designee, shall prepare a separate receiving report for the excess samples and dispose of them as provided in WAC 314-64-040(7).

(c) The liquor purchasing agent, or his designee, shall sign the multiple-copy receiving and disposition report in the applicable section, indicating his receipt of the samples.

(d) The liquor purchasing agent, or his designee, shall distribute the signed multiple-copies of the receiving and disposition reports as follows: The original to be retained by the liquor purchasing agent, one copy to each member of the board, and one copy to the liquor control board controller.

(e) The purchasing agent, or his designee, shall provide an analysis report form, as required in WAC 314-64-040(6) for each sample. The receiving and disposition reports and analysis report forms shall be numbered consecutively, and shall correspond one with the other.

(f) The liquor purchasing agent shall deliver a copy of the receiving and disposition report and the analysis report forms with the samples, to members of the board, or their designees, and/or to the liquor purchasing agent, or his designee, for examination, testing and reporting as provided in WAC 314-64-040(4), (5) and (6).

(g) Members of the board, or their designees, and/or the liquor purchasing agent, or his designee, shall sign the receiving and disposition report in the applicable section, indicating receipt of the samples.

(h) The purchasing agent shall distribute the signed receiving and disposition report as follows: The original to the member of the board, or his designee, or the liquor purchasing agent, or his designee, to whom the sample was delivered; one copy to the liquor control board controller, and one copy to be retained by the liquor purchasing agent.

(i) Members of the board, or their designees, and/or the liquor purchasing agent, or his designee, shall examine, test and report on the sample, as provided in WAC 314-64-040(4), (5), and (6), complete the analysis report form, and distribute the form as follows: The original to the liquor purchasing agent, one copy to the liquor control board controller, and one copy to be retained by the member of the board, or his designee, and/or the liquor purchasing agent, or his designee who examined and tested the sample.

(j) The liquor control board controller shall maintain the official copies of the receiving and disposition reports, together with the matching analysis report forms, and, where applicable, the destruction notices. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-035 (Order 95, Resolution No. 104), § 314-64-050, filed 1/28/82; Order 40, § 314-64-050, filed 8/21/75.]

WAC 314-64-060 Purpose. The purpose of WAC 314-64-060 through 314-64-090 is to comply with and implement provisions of section 2, chapter 182, Laws of 1981, and RCW 66.28.040. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW. 81-23-038 (Order 84, Resolution No. 93), § 314-64-060, filed 11/18/81.]

WAC 314-64-070 Definition. Samples for the purpose of this section shall mean beer and wine and/or containers furnished to licensees for the purpose of negotiating a sale as provided in RCW 66.28.040. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW. 81-23-038 (Order 84, Resolution No. 93), § 314-64-070, filed 11/18/81.]

WAC 314-64-080 Procedures. Procedures for furnishing samples of beer and wine to licensees for the purpose of negotiating a sale are as follows:

(1) Quantity. Except as provided in (c) of this subsection, samples may be furnished only in their original packages or containers as produced by the manufacturer or bottler, as follows:

(a) Wholesaler or importer. A brewer, winery or importer may furnish a sample of beer or wine to a wholesaler or importer who has not previously purchased the brand and type or vintage year from the supplier furnishing the sample. For each wholesaler or importer, the brewer, winery or importer may give not more than seventy-two ounces of any brand and type of beer, and not more than one liter of any brand and type of wine.

(b) Retailer. A brewer, winery, importer or wholesaler may except as hereinafter provided furnish a sample of beer or wine to a retail licensee who has not previously purchased the brand and type or vintage year from the supplier furnishing the sample. For each retail licensee, the brewer, winery, importer or wholesaler may give not more than seventy-two ounces of any brand and type of beer, and not more than one liter of any brand and type of wine. If a particular product is not available in a size within the quantity limitations of this section, a brewer, winery, importer or wholesaler may furnish the next largest size: *Provided, however,* That unpasteurized beer in its original sealed package shall not be furnished as samples.

(c) Samples in other than the original packages or containers may, subject to the conditions and limitations stated in (a) and (b) of this subsection, be furnished as follows:

(i) A brewery, winery, importer, or wholesaler, either directly or through their licensed agents, may furnish to authorized licensees at their licensed premises or business office samples of beer and wine from an opened container carried by a licensed agent, provided such samples are furnished only in single-serving samples not to exceed two ounces of wine or twelve ounces of beer.

(ii) A brewery, winery, importer, or wholesaler, either directly or through their licensed agents, may furnish samples of beer or wine to authorized licensees at the premises of a retail licensee.

(iii) A licensed importer or licensed wholesaler may furnish samples to authorized licensees on the licensed premises of the importer or wholesaler: *Provided,* That when exercising the privileges authorized in (c)(ii) and (iii) of this subsection a brewery, winery, importer, or wholesaler may, in addition to furnishing samples of beer or wine as provided, supply small amounts of breads, crackers, cheeses, fruits, or nuts to clear the taste buds of participants between successive samples of beer or wine but shall not furnish meals or additional treats which would be violative of WAC 314-12-140.

(2) Identification. Brewers, wineries, importers or wholesalers shall identify the samples on the containers, cartons and shipping documents as "Samples for Licensees."

(3) Shipping instructions. Brewers, wineries, importers or wholesalers shall, except as provided in subsection (1)(c) of this section, deliver or ship samples to licensees at their licensed premises or business office.

(4) Use and disposition of samples. Samples may be furnished for the purpose of negotiating a sale of beer or wine to a wholesaler, importer, or retail licensee. [Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 82-04-035 (Order 95, Resolution No. 104), § 314-64-080, filed 1/28/82. Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW. 81-23-038 (Order 84, Resolution No. 93), § 314-64-080, filed 11/18/81.]

WAC 314-64-090 Accounting. (1) Each brewer, winery, importer or wholesaler who furnishes samples of beer or wine to licensees shall keep at his place of business a complete record of the disposition of such samples, which record shall show (a) the name and address of the importer, wholesaler or retail licensee to whom the samples were furnished, (b) the brand name and type, (c) the quantities furnished to each importer, wholesaler or retail licensee, and (d) the date the samples were furnished.

(2) Each importer or wholesaler who receives samples of beer or wine shall keep at his place of business a complete current record of all such samples received, showing (a) the name and address of the brewer, winery, importer or wholesaler from whom the samples were received, (b) the brand name and type, (c) the quantities received, and (d) the date the samples were received.

(3) Each retail licensee who receives samples of beer or wine shall keep at his place of business a complete current record of all such samples received, showing (a) the name and address of the brewer, winery, importer or wholesaler from whom the samples were received, (b) the brand name and type, (c) the quantities received, and (d) the date the samples were received.

(4) All records and documents prescribed by this section shall be retained by the person required to keep the documents for a period of not less than two years, and during this period shall be available, during business hours, for inspection and copying by members of the board or their accredited representatives.

(5) All beer or wine samples received or furnished by licensees shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210. [Statutory Authority: RCW 66.08.030, 66.08.060, 66.98.070 and Title 34 RCW. 81-23-038 (Order 84, Resolution No. 93), § 314-64-090, filed 11/18/81.]

Chapter 314-70 WAC

DISPOSITION OF LIQUOR STOCK FOLLOWING DISCONTINUANCE OF BUSINESS AND/OR LAWFUL SEIZURE OF LIQUOR BY A GOVERNMENTAL AGENCY

WAC	
314-70-010	Sale by Class H licensee of liquor stock after discontinuance of business.
314-70-020	Disposition by a governmental agency of lawfully seized liquors, except those which are required to be delivered to the board under RCW 66.32.090.
314-70-030	Purchases by Class H licensee of certain liquor stocks.

314-70-040 Procedures for board purchase of liquor from governmental agencies.

WAC 314-70-010 Sale by Class H licensee of liquor stock after discontinuance of business. Notwithstanding any other provision of Title 66 RCW or Title 314 WAC, a Class H licensee who permanently discontinues business for any reason shall dispose of the salable unopened liquor remaining in stock by sale to the board of the items originally purchased from the board. The board will pay the total amount listed in the official price list then in effect, less the Class H discount and tax exemption expressed as a percent of the total price and the percent of total expenses assigned to the merchandise division to gross sales as reported on the profit and loss statement in the last published annual report of the board. Combined percentages will be rounded up to a whole percent: *Provided, however,* That in the case of a transfer of license a Class H licensee, after obtaining the approval of the board and under the supervision of a representative of the board, may sell the entire inventory of liquor to the incoming licensee at a negotiated price. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-70-010, filed 8/9/82.]

WAC 314-70-020 Disposition by a governmental agency of lawfully seized liquors, except those which are required to be delivered to the board under RCW 66.32.090. Notwithstanding any other provision of Title 66 RCW or Title 314 WAC, governmental agencies may, after obtaining the approval of the board and under the supervision of the board, dispose of lawfully seized liquors (except those which are required to be delivered to the board under RCW 66.32.090) as follows:

(1) The governmental agency may sell spirituous unopened salable liquor, and/or wine and beer previously purchased from the board, to the board as per procedure in WAC 314-70-040.

(2) The governmental agency may sell opened containers of liquor back to the Class H licensee from whom seized, if the licensee is going out of business, for the personal use of the licensee at a negotiated price after payment by the licensee to the board of an amount to be determined by the board in lieu of the Class H discount and tax exemption in effect at that time: *Provided,* That if the licensee has not so purchased the opened bottles of liquor within the period of redemption, they shall be destroyed.

(3) The governmental agency may sell unopened beer and/or wine to the wholesaler selling the same as per procedure in WAC 314-24-210 and 314-20-070 at a negotiated price. Copies of inventory and bill of sale shall be furnished the board.

(4) The governmental agency may sell unopened salable wine to appropriately licensed retailers at a negotiated price. Copies of the inventory and bill of sale shall be furnished the board.

(5) The governmental agency may ship the liquor out of the state of Washington. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-

022 (Order 109, Resolution No. 118), § 314-70-020, filed 8/9/82.]

WAC 314-70-030 Purchases by Class H licensee of certain liquor stocks. Notwithstanding any other provision of Title 66 RCW or Title 314 WAC, a Class H licensee in conjunction with a transfer of license may purchase, and place into its regular stock, salable liquor as provided in WAC 314-70-010. Such liquor shall be treated for purposes of Title 66 RCW and Title 314 WAC as if it had been purchased from the board pursuant to RCW 66.24.440. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-70-030, filed 8/9/82.]

WAC 314-70-040 Procedures for board purchase of liquor from governmental agencies. The board may purchase from governmental agencies lawfully seized salable unopened liquor. Such purchases are subject to the following conditions:

(1) The governmental agency shall provide the board with a listing of the liquor and shall make the liquor available for examination and review.

(2) The board will issue a purchase order for the liquor.

(3) When the governmental agency is from within the state of Washington and the liquor was originally purchased from the board, the board will pay the total amount listed in the official board price list then in effect, less the Class H discount and tax exemption expressed as a percent of the total price and the percent of total expenses assigned to the merchandise division to gross sales as reported on the profit and loss statement in the last published annual report of the board. Combined percentages will be rounded up to a whole percent.

(4) When the governmental agency is a federal agency, or when the governmental agency is from within the state of Washington but the liquor was not originally purchased from the board, or the liquor is no longer handled by the board, the board will pay a negotiated amount not to exceed ninety percent of the original approximate cost price from the distillery or manufacturer including federal tax and duty.

(5) After receipt of the board purchase order, the governmental agency who is selling the liquor will invoice the board as per the prices listed on the purchase order. [Statutory Authority: RCW 66.08.030, 66.98.070 and chapter 34.04 RCW. 82-17-022 (Order 109, Resolution No. 118), § 314-70-040, filed 8/9/82.]

Chapter 314-78 WAC OFFICIAL SEAL OF THE BOARD

WAC
314-78-010 Official seal of the board.

WAC 314-78-010 Official seal of the board. Pursuant to the authority of RCW 66.08.030(2)(g) the board adopts the following design as and for its official seal:

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[Statutory Authority: RCW 66.08.030, 66.98.070 and Title 34 RCW. 81-19-116 (Order 81, Resolution 90), § 314-78-010, filed 9/23/81.]

Title 315 WAC LOTTERY COMMISSION

Chapters

- 315-02** General provisions and definitions.
315-04 Licensing procedure.
315-06 General lottery rules.
315-10 Instant game general rules.

Chapter 315-02 WAC GENERAL PROVISIONS AND DEFINITIONS

WAC	
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315-02-200	Provisional license defined.
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WAC 315-02-010 Washington state lottery commission. The Washington state lottery commission, hereinafter called "the commission," is the commission appointed by the governor pursuant to chapter 7, Laws of 1982 2nd ex. sess. as the regulatory agency charged with the authority and duty to regulate lottery activities. [Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-010, filed 10/15/82.]

WAC 315-02-020 Time and place of meetings. Regular public meetings of the commission shall be held upon the first Friday of every other month, beginning