



Washington State
Liquor Control Board

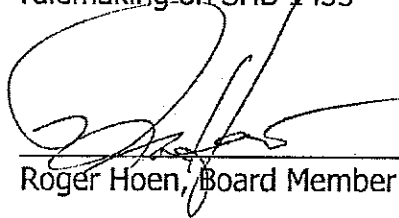
Liquor Control Board Interim Policy #08 – 2009

Subject: Cigarette and Tobacco Licensing

Effective Date: July 26, 2009

Ending Date: To remain in effect until the completion of rulemaking on SHB 1435

Approved:



Roger Hoen, Board Member



Ruthann Kurose, Board Member

Purpose:

The purpose of Liquor Control Board Interim Policy #08-2009 is to provide the application process to obtain a retail, wholesale, or distributor cigarette or tobacco products license.

Background:

Persons selling cigarettes or tobacco products in this state are required to hold either a wholesaler or retailer cigarette license or a distributor or retailer tobacco products license (for all tobacco products other than cigarettes) through the Department of Licensing, Master License Service. A criminal background check is required for a cigarette wholesaler and a tobacco distributor license.

The Liquor Control Board (LCB) is charged with enforcing the tax on tobacco products provisions. The Board's Tobacco Tax Enforcement Unit was formed in 1997 to enforce assessment of unpaid tobacco taxes for state collection by the Department of Revenue. The Tobacco Tax Enforcement Unit ensures that people who sell cigarettes and tobacco in Washington are properly licensed, have paid the appropriate taxes, and do not sell cigarettes to persons under 18 years of age.

The 2009 legislature passed SHB 1435 giving the LCB the administrative authority, previously vested in the Department of Revenue, to approve, deny, suspend, or revoke retail, wholesale, or distributor cigarette and tobacco products licenses. A criminal background check is now required for a retailer, wholesaler, and distributor license. The Board may consider any prior criminal conduct of the applicant, including an administrative violation history record with

the Board. If the Board makes an initial decision to deny a license or renewal, or suspend or revoke a license, the applicant or licensee may request a hearing under the Administrative Procedure Act.

Policy Statement:

The following application process relates to cigarette and tobacco products licenses:

- Applicants must complete a Master Business Application (MBA) and submit the application and fees to Master License Service (MLS);
- MLS forward the information to the Liquor Control Board (LCB) to conduct a criminal background check and review any violation history record with the Board;
- If the background check and administrative history record is clear the LCB will send an approval to MLS;
- MLS will mail the applicant a Master License with the appropriate cigarette and/or tobacco endorsement;
- The licensee is required to exhibit the master license in the place of business for which it is issued and in the manner required for the display a master license.

If the Board makes an initial decision to deny a license or renewal, or suspend or revoke a license, the applicant or licensee may request a hearing subject to the applicable provisions under Title 34 RCW.



**Washington State
Liquor Control Board**

February 10, 2010

To: Sharon Foster, Board Chairman
Ruthann Kurose, Board Member

From: Karen McCall, Senior Policy/Legislative Analyst

Subject: Rescind LCB Interim Policy #08-2009 Cigarette and Tobacco
Licensing

This interim policy was a result of SHB 1435 passed in the 2009 legislative session. Rules were adopted by the Board on December 16, 2009 to implement Interim Policy #08-2009.

Move to rescind LCB Interim Policy #08-2009.

Approve

Not Approve

Sharon Foster
Sharon Foster, Board Chairman

Approve

Not Approve

Ruthann Kurose
Ruthann Kurose, Board Member

