



## NOTICE OF RULE MAKING – Proposed Rules #11-07

The Washington State Liquor Control Board has entered into the initial stage of rule making to revise **WAC 314-40-040 and WAC 314-40-050**.

This notice contains a summary of changes being proposed as well as the actual text of the proposed rules. You can provide input by submitting written comments or by participating in the public hearing (see below).

This rule making is filed with the Office of the Code Reviser in the Washington State Register number # 11-19-110.

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### Why is this rule making necessary?

Rules need to be revised to implement SSB 5788 that passed in the 2011 legislative session.

The Liquor Control Board encourages you to give input on rules for **Clubs**. The agency will hold at least one public hearing before rules are adopted.

This notice can be found at <http://www.liq.wa.gov/laws/laws-and-rules> under Proposed Rules. The text of the rules is attached.

### Public Comment

Please forward your initial comments to the Liquor Control Board by mail, e-mail, or fax by **October 26, 2011**.

<b>By mail:</b>	Rules Coordinator Liquor Control Board P.O. Box 43080 Olympia, WA 98504-3080	<b>By e-mail:</b>	<a href="mailto:rules@liq.wa.gov">rules@liq.wa.gov</a>	<b>By fax:</b>	360-360-664-9689
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<b>Public Hearing:</b>	<b>October 26, 2011</b> <b>10:00 a.m.</b> Washington State Liquor Control Board – Board Room 3000 Pacific Ave. S.E, Olympia, WA
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## What changes are being proposed?

**Amended WAC 314-40-040 Guest and courtesy cards – Visitors.** Added language to subsection (2) that would allow a private club to allow visitor to enjoy the privileges of the club more than six times in any one calendar year if a different number of times is allowed in the club by-laws. This was requested by WRA and the non-fraternal private clubs.

**Amended WAC 314-40-050 Records.** Changed the language in subsection (3) that records must be kept for “two” years to “three” years to be consistent with all other record keeping requirements.

**Amended WAC 314-40-095 Endorsements to private club licenses.** Removed the cap on the number of non-club, member-sponsored events a private club may hold. This was part of SSB 5788.

## WAC Changes

AMENDATORY SECTION (Amending WSR 10-16-056, filed 7/28/10, effective 8/28/10)

**WAC 314-40-040 Guest and courtesy cards--Visitors. (1)**

Guest cards are intended for invited guests residing outside of the immediate area.

(a) Guest cards shall be issued no more than three times per year for a period not to exceed fourteen consecutive days, 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;

(b) Contestants in golf or tennis tournaments conducted on the grounds of a licensed club will be considered a visitor for the day(s) of the event.

(2) Visitors may be introduced when accompanied at all times by a member, who is not an on duty employee, and may remain as long as such member is present in the club. Any such visitor may only enjoy the privileges of the club six times in any one calendar year unless a different number of times is allowed in the club by-laws.

(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 if the bylaws of such clubs authorize reciprocal privileges. Subsections (1) and (2) of this section shall not apply to members of such organizations.

(4) Persons who are members in good standing of organizations licensed as private nonfraternal clubs may enjoy the privileges of other licensed nonfraternal clubs if the bylaws of such clubs authorize reciprocal privileges. Subsections (1) and (2) of this section 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.

(6) In order to recruit new members and build club membership, a private club may hold a public membership function for two days per calendar year where club liquor may be given or

sold to those attending as a part of the membership drive activities. The function must be advertised as a membership drive. Membership drives may not be held on consecutive days.

(7) A person issued a guest card by the club manager pursuant to subsection (1) of this section may introduce visitors into the club provided:

(a) The visitors are accompanied at all times by the sponsoring guest card holder;

(b) The visitors remain in the club only as long as the sponsoring guest card holder is present; and

(c) The house rules or bylaws of the club provide guest card holders the privilege of introducing visitors into the club.

[Statutory Authority: RCW 66.08.030 and 66.24.450. 10-16-056, § 314-40-040, filed 7/28/10, effective 8/28/10. Statutory Authority: RCW 66.08.030. 95-16-030, § 314-40-040, filed 7/21/95, effective 8/21/95; 88-07-060 (Order 239, Resolution No. 248), § 314-40-040, filed 3/16/88; 88-01-016 (Order 235, Resolution No. 244), § 314-40-040, filed 12/8/87; 86-07-013 (Order 177, Resolution No. 186), § 314-40-040, filed 3/11/86. Statutory Authority: RCW 66.08.030 and 66.98.070. 85-06-020 (Order 152, Resolution No. 161), § 314-40-040, filed 2/27/85; 82-04-028 (Order 92, Resolution No. 101), § 314-40-040, filed 1/27/82; Rule 106, filed 6/13/63.]

AMENDATORY SECTION (Amending WSR 10-16-056, filed 7/28/10, effective 8/28/10)

**WAC 314-40-050 Records.** (1) In addition to the requirements of WAC 314-16-160, clubs shall maintain a complete system of bookkeeping covering all operations of the club, with the operations thereof pertaining to liquor being kept separate in a manner prescribed by the board. All such records shall be accessible and be available for inspection and audit by agents of the board. Board agents shall be entitled to make copies or abstracts or, upon furnishing a proper receipt, remove the originals for such purposes as the board deems necessary.

(2) After initial licensure, house rules and bylaws shall be submitted to the board whenever changes are made. A copy of the house rules and/or bylaws must be available for inspection by any law enforcement officer or agent of the board during any premises check of the club.

(3) In addition to WAC 314-40-040 visitor records with date and time and sponsoring member must be kept for a minimum of (~~two~~) three years.

(4) In addition to WAC 314-40-040 guest records must contain the full name, date of birth, and address of the guest receiving the temporary membership card.

[Statutory Authority: RCW 66.08.030 and 66.24.450. 10-16-056,  
§ 314-40-050, filed 7/28/10, effective 8/28/10; Rule 107, filed  
6/13/63.]

AMENDATORY SECTION (Amending WSR 10-16-056, filed 7/28/10, effective 8/28/10)

**WAC 314-40-095 Endorsements to private club licenses.**

(1) Under RCW 66.24.450, the board may issue an endorsement allowing the club to hold (~~up to forty~~) nonclub, member-sponsored events using club liquor.

(a) Each event must have a sponsoring member from the club.

(b) Each visitor and/or guest may only attend the event by invitation of the sponsoring member(s).

(c) Event may not be open to the general public.

(d) At least seventy-two hours prior to any nonclub event, the sponsoring member, or any club officer, must provide to the board: The date, time, and location of the event, the name of the sponsor of the event, and a brief description of the purpose of the event.

(e) A list of all invited guests and visitors must be available for inspection during the nonclub event.

(2) Under RCW 66.24.450, the board may issue an endorsement allowing the holder of a spirits, beer, and wine private club license to sell bottled wine for off-premises consumption.

(a) Spirits and beer may not be sold for off-premises consumption.

(b) Bottled wine may only be sold to members, visitors, and guests defined under WAC 314-40-005. Bottled wine may not be sold to the general public.

[Statutory Authority: RCW 66.08.030 and 66.24.450. 10-16-056, § 314-40-095, filed 7/28/10, effective 8/28/10.]