



NOTICE OF RULE MAKING – Proposed Rules #11-08

The Washington State Liquor Control Board would like your input on the attached proposed rules on **Special Occasion Licenses – WAC 314-05-025 and WAC 314-05-030.**

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 # 11-19-113.

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 **Special Occasion Licenses**. 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**.

By mail: Rules Coordinator
Liquor Control Board
P.O. Box 43080
Olympia, WA 98504-3080

By e-mail: rules@liq.wa.gov

By fax: 360-360-664-9689

Public Hearing: **October 26, 2011**
10:00 a.m.
Washington State Liquor Control Board – Board Room
3000 Pacific Ave. S.E, Olympia, WA

What changes are being proposed?

Amended WAC 314-05-025 Application for a special occasion license.

Corrected language to reflect current policy in subsection (4), replacing the words "may request" with "requires".

Amended WAC 314-05-030 Guidelines for special occasion license events.

Added language to implement SSB 5788 regarding payment for product immediately following the end of the special occasion event and allowing wineries or breweries to pay reasonable booth fees to a special occasion licensee.

WAC Changes

AMENDATORY SECTION (Amending WSR 04-22-078, filed 11/2/04, effective 12/3/04)

WAC 314-05-025 Application process for a special occasion license. (1) Special occasion applications normally take forty-five days to process. The liquor control board may not be able to process your application in time for your event if you do not apply at least forty-five days before the event.

(2) Per RCW 66.24.010(8), when the board receives a special occasion application, it must send a notice to the local authority. The local authority has twenty days to respond with any input, and they may request an extension for good cause.

(3) The liquor control board may run a criminal history check on the organization's officers and/or managers.

(4) The liquor control board (~~(may request)~~) requires documentation to verify the organization is a bona-fide nonprofit, who the true party(ies) of interest are in the

organization, and that the organization meets the guidelines outlined in WAC 314-05-020 and 314-05-025.

(5) See chapter 314-07 WAC regarding possible reasons for denial of a special occasion license. Denials are subject to the provisions of the Administrative Procedure Act, chapter 34.05 RCW.

[Statutory Authority: RCW 66.08.030, 66.24.375, 66.24.380, 66.28.010. 04-22-078, § 314-05-025, filed 11/2/04, effective 12/3/04.]

AMENDATORY SECTION (Amending WSR 09-02-013, filed 12/29/08, effective 1/29/09)

WAC 314-05-030 Guidelines for special occasion license events. (1) The special occasion license must be posted at the event.

(2) Special occasion licensees may get alcohol for the event only from the following sources:

(a) Spirits must be purchased from a Washington state-run or contract liquor store;

(b) Beer and wine must be purchased at retail from a licensed retailer, from a beer or wine distributor, from a domestic brewery, microbrewery, or winery, acting as a distributor of its own product, or from a certificate of approval holder with a direct shipping to Washington retailer endorsement. Special occasion licensees are allowed to pay

for beer or wine used for the special occasion event immediately following the end of the special occasion event;
and

(c) Per RCW 66.28.040, in state breweries and wineries (~~and~~), out-of-state breweries and wineries holding a certificate of approval license, domestic distillers or an accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor may donate beer (~~and~~), wine, and spirits to special occasion licensees that are nonprofit 501 (c) (3) charitable organizations or nonprofit 501 (c) (6) organizations. Spirits donated to a special occasion licensee must be purchased from a state or contract liquor store.

(3) Special occasion licensees may not advertise or sell alcohol below cost. If donated product is sold by the special occasion licensee, it may not be advertised or sold below the manufacturers' cost.

(4) Per RCW 66.28.010, alcohol manufacturers, importers and distributors may provide advertising, pouring, or dispensing of beer or wine at a beer or wine tasting exhibition or judging event, but may not provide money, goods, or services to special occasion licensees.

(a) Wineries and distilleries may pour at any special occasion event.

(b) Wineries or breweries that are participating in a special occasion event may pay reasonable booth fees to the

special occasion licensee. Booth fees must be uniform for all participating wineries and breweries.

(5) Per RCW 66.24.380, the sale, service, and consumption of alcohol must be confined to a designated location(s).

(6) If a special occasion license function is held at an establishment that has a liquor license:

(a) The special occasion function must be held in an area of the premises separate from areas open to the general public during the time the special occasion function is occurring, and the licensed premises' liquor cannot be sold or served in the same area(s) as the special occasion license function.

(b) The liquor licensee cannot charge for the liquor purchased by the special occasion licensee for service at the special occasion event, but can charge for room usage, services, etc. The liquor licensee must sign the special occasion application giving permission for the special occasion licensee to bring and sell their alcohol (~~ente~~) at the liquor licensed premises.

(c) The special occasion license will not be issued for use at premises whose liquor license will be suspended on the date(s) of the scheduled event.

[Statutory Authority: RCW 66.08.030. 09-02-013, § 314-05-030, filed 12/29/08, effective 1/29/09. Statutory Authority: RCW 66.08.030, 66.20.360 through [66.20].380, 66.20.390, 66.24.170, 66.24.206, 66.24.210, 66.24.240, 66.24.244, 66.24.270, 66.24.290, 66.28.170, 66.28.180, and 42.56.270.

07-02-076, § 314-05-030, filed 12/29/06, effective 1/29/07.
Statutory Authority: RCW 66.08.030, 66.24.375, 66.24.380,
66.28.010. 04-22-078, § 314-05-030, filed 11/2/04, effective
12/3/04.]