



Washington State Liquor and Cannabis Board

Topic: **Petition for Adoption, Amendment, or Repeal of a State Administrative Rule – Liquor manufacturer service and sale at public events.**

Date: January 29, 2025

Presented by: Denise Laflamme, Policy and Rules Coordinator

Background

On December 4, 2024, Mr. Forrest Chesvick, from Good Buzz Brewing Co. in Chehalis, Washington, submitted a petition for rulemaking to allow wineries, breweries, and distilleries to sample, serve and sell bottles of their products at public events.

In the rule petition requesting rulemaking, Mr. Chesvick stated:

1. NEW RULE - I am requesting the agency to adopt a new rule.

The subject (or purpose) of this rule is: _____
This will allow wineries, breweries and distilleries to work with other businesses in an effort to sell, serve and showcase their products at public events.

The rule is needed because: _____
This will help small businesses promote their products and generate income in a way that supports the community in a safe and welcoming setting.

The new rule would affect the following people or groups: _____
Small business, wineries, breweries, distilleries, community events and private events.

The accompanying letter with his petition consisted of the following additional information:

The purpose of this change:

To support small business by allowing **wineries, breweries and distilleries** sample, serve and sell bottles of their own products at public events. This will bring businesses together and allow them to collaborate in a way that promotes safe consumption and sales of alcohol at public events. (These events would include but are not limited to, festivals, car shows, events hosted by a small businesses and non-profits)

This rule is needed because:

There is currently no legal way for **wineries, breweries and distilleries** to sell and promote their own products in this capacity at public events. This will help small businesses promote their products and generate income in a way that supports the community in a safe and welcoming setting.

This rule will support the following groups:

Wineries, Breweries, Distilleries, Small Businesses, Non-Profits, People attending these

events, Liquor and Cannabis Board

THE BENEFITS OF THIS CHANGE

- SUPPORTS SMALL BUSINESS

- This will allow **wineries, breweries and distilleries** the promote their products to people that otherwise wouldn't know they exist.
- This will also make it easier for small businesses to collaborate with **wineries, breweries and distilleries** for public events.

- PROMOTES SAFE CONSUMPTION OF ALCOHOL

- The business responsible for serving alcohol will be require to follow the rules regarding alcohol service, to include but not limited to, over consumption, under age drinking. This will help promote a safe environment for these events to take place.

- GENERATES MORE REVENUE

- These events will help to bring in customers and generate revenue for both the business hosting the event and the business serving alcohol at the event.
- This will also help to bring in additional revenue for the liquor and cannabis board through the tax paid on the sale of alcohol.

Issue

Whether the Board should initiate rulemaking to create a new endorsement, permit, or license type to allow wineries, breweries, and distilleries to serve and sell their products at public events.

Statutes & Regulations

Statutes

[RCW 66.08.030](#) describes the scope of LCB's regulations, including (3) prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualification for receiving a permit or license issued under this title, and (12) Prescribing the conditions, accommodations, and qualifications requisite for the obtaining of licenses to sell beer, wines, and spirits, and regulating the sale of beer, wines, and spirits thereunder.

[RCW 66.20.010](#) describes special permits to be issued by the LCB, including:

- (3) Special permits to consume liquor at a banquet, at a specified date and place.

(13) Special permits for distilleries and craft distilleries for private banquet permits to be held at a specific place including at the licensed premise of the applying distillery or craft distillery at a specific date for tasting and selling spirits of its own production.

(14) Special permits for wine manufacturers for an event not open to the general public held at a specific place and date for the purpose of tasting and selling wine of its own production.

(15) Special permits by a manufacturer of beer for an event not open to the general public to be held at a specific place on a specific date for the purpose of tasting and selling beer of its own production.

[RCW 66.24.010](#) describes conditions and restrictions for issuing liquor licenses.

[RCW 66.24.146](#) describes tasting room licenses for distillery and craft distillery licensees authorizing the operation of an off-site tasting room.

[RCW 66.24.175](#) describes a license endorsement allowing sampling of wine and beer at qualifying farmers markets.

[RCW 66.24.246](#) describes a license endorsement for on-premises service for wineries selling beer and breweries selling wine.

[RCW 66.24.363](#) describes a beer and wine tasting endorsement in grocery stores.

[RCW 66.24.380](#) describes a special occasion license for a non-profit organization to sell spirits, beer, and wine by individual servings for on-premises consumption and to auction alcohol at a specified event, at a specified date and place.

[RCW 66.24.655](#) describes a spirits, beer and wine theater license.

Regulations

[Chapter 314-05 WAC](#) describes [special occasion licenses](#), which must comply with applicable retail liquor license requirements. This license allows a nonprofit organization to sell spirits, beer, and wine by individual serving and wine by the bottle for on-premises consumption, and unopened containers for off-premises consumption. Event must be held at a specified date, time, and place. Examples include fundraising dinners, gala events, and auctions.

[Chapter 314-18 WAC](#) describes banquet permits available to individuals or representatives of a society, organization or business entity, for service and consumption of liquor at a specific place and date. Retail licensees are not eligible for banquet permits, except under limited circumstances.

[Chapter 314-38 WAC](#) describes liquor permits, including alcohol raffle permits, day spa permits, special winery, distillery and brewery permits, and nonprofit private wine auction permits.

[WAC 314-38-095](#) (brewery) describes a special brewery permit authorized by RCW 66.20.010(15) that allows a manufacturer of beer to be present at a private event not open to the general public at a specific place and date for the purpose of tasting beer and selling beer of its own production for on-premises and off-premises consumption.

[WAC 314-38-080](#) (winery) describes a special permit authorized by RCW 66.20.010(14) that allows a manufacturer of wine to be present at a private event not open to the general public at a specific place and date for the purpose of tasting wine and selling wine of its own production for on-premises and off-premises consumption.

[WAC 314-38-090](#) (distillery) describes a special distillery permit authorized by RCW 66.20.010(13) that allows a manufacturer of spirits to be present at a private event not open to the general public at a specified place and date for tasting of spirits and sell spirits of its own production for on-premises and off-premises consumption. \

[LCB Spirits, Beer and Wine Public Tasting Guide](#) provides more information about the types and requirements for holding alcohol tastings.

Analysis

LCB is authorized to issue special permits and liquor licenses and endorsements in statute including under chapters 66.20 RCW and 66.24 RCW. LCB issues a variety of alcohol [special permits](#) to both businesses and the public. Breweries, wineries and distilleries may apply for a special permit to provide tastings, and sell their products for on-premises and off-premises consumption at private events not open to the general public. Non-profit organizations may apply for a [special occasion license](#) to sell spirits, beer, and wine by individual servings for on-premises consumption at a specified event. This may include selling spirits, beer, and wine in original, unopened containers for off-premises consumption. During fiscal year 2024 (July 1, 2023 - June 30, 2024), the LCB issued 3,607 special occasion licenses to non-profit organizations.¹

None of the existing licenses or permits address alcohol manufacturers providing samples or serving for on-premises consumption, and selling containers for off-premises consumption, at events open to the public. This type of activity is restricted to non-profit organizations at a pre-scheduled event or under special permits for breweries, wineries, and distilleries but only for private events.

Recently proposed legislation to create new licenses or permits for samples and sales in public settings have not passed. This includes:

- [HB 2363 \(2024\)](#) – proposed amending chapter [66.24 RCW](#) to add a new section creating a new license endorsement similar to private events, but in public settings. It would have authorized off-site and pop-up retail sales, service, and

¹ LCB, 2023. Annual Report, Fiscal Year 2024. Available at: <https://lcb.wa.gov/sites/default/files/publications/2024-annual-report-final-opt.pdf>

consumption of beer and wine for on-premises and off-premises consumption, allowing licensees to sell additional products under their licensed privileges.

- [HB 2274 \(2018\)](#) – proposed amending [RCW 66.20.010](#) to create a special permit for alcohol samples and sales by alcohol manufacturers that removed restrictions requiring these events not be open to the general public.

The Board denied a petition in December 2023 to create a beer to-go endorsement for restaurants because the requested privilege, and requested change, was not authorized in statute.

Historically, LCB has not created liquor licenses, license endorsements, or permits in rule without legislative action leading to statutory changes. Additionally, LCB has denied petitions that have requested rulemaking to create new endorsements without legislative action.

Divisional Coordination

Licensing – Licensing indicates that adding a new license endorsement would be needed for this type of change. This would also require an update to licensing services to process a new type of endorsement, which would not be able to happen for more than a year given the current timeline for migration as part of the current phase of the ongoing Systems Modernization Project (SMP). Licensing indicates that additional staff would be needed to support the work created by this type of endorsement.

Enforcement & Education – Enforcement & Education staff believe that this type of change is outside the scope of LCB’s authority, and would require statutory changes by the legislature to create a new endorsement or license type. Previously added special licenses or endorsements have all been done via legislative action resulting in changes to statutes.

IT – According to licensing staff, an additional license type or endorsement would require IT resources to process a new application and related materials as part of SMP.

Public Health – There would be concerns from Public Health regarding expanding access to alcohol, including youth access, associated with public events.

Recommendation


Creating a new license type or license endorsement without a legislative mandate has not been an approach or practice of the Board. A legislative bill introduced in 2018 to create a special permit allowing alcohol manufacturers to sample and serve at events open to the general public did not pass.

Based on the information provided, the Director’s Office recommends the Board deny the petition for rulemaking submitted on December 4, 2024 by Forrest Chesvick

because of the need for legislative action and statutory changes to create the type of endorsement requested by the petitioner.

Board Action

After considering the recommendation of Director’s Office staff, the Board accepts/denies the petition for rulemaking submitted by Forrest Chesvick on December 4, 2024.

_____ Accept X Deny _____ Abstain  1/29/2025
Jim Vollendroff, Board Chair Date

_____ Accept X Deny _____ Abstain  1/29/2025
Ollie Garrett, Board Member Date

_____ Accept _____ Deny X Abstain  1/29/2025
Pete Holmes, Board Member Date

Attachments:

- 1) Petition and email from Petitioner
- 2) Laws and Rules related to Petition Analysis:
 - RCW 66.20 (Liquor Permits),
 - RCW 66.24 (Licenses – Stamp Taxes),
 - WAC 314-02 (Requirements for Retail Liquor Licensees),
 - WAC 314-05 (Special Occasion Licenses),
 - WAC 314-18 (Banquet Permits),
 - WAC 314-38 (Permits)
- 3) LCB Spirits, Beer and Wine Public Tasting Guide.