

**Date:** April 23, 2025

To: Jim Vollendroff, Board Chair

Ollie Garrett, Board Member Pete Holmes, Board Member

**From:** Jeff Kildahl, Policy and Rules Coordinator

Copy: Will Lukela, Agency Director

Toni Hood, Agency Deputy Director

Lawerence Grant, Director of Enforcement and Education

Becky Smith, Licensing Director

Justin Nordhorn, Policy and External Affairs Director

Kevin Walder, Policy & Rules Manager

Subject: Approval to file a pre-proposal statement of inquiry (CR 101)

regarding seasonal hours requirements for alcohol licensees.

The Washington State Liquor and Cannabis Board (Board) is considering amending <u>WAC 314-02-045</u> to respond to a petition for rulemaking accepted in 2024 to reduce the required number of days a beer and/or wine restaurant license holder must be open to the public to maintain their license. Current rules in WAC 314-02-045(2)(b) require a beer and/or wine licensed restaurant to be open to the public at least five hours a day, three days a week, year around. Licensees located in areas of Washington such as the San Juan islands often experience fewer seasonal residents and reduced tourism and may struggle to maintain this schedule during the slower season.

#### **Process**

The Policy and Rules Coordinator requests approval to file the pre-proposal statement of inquiry (CR 101) for the rule making described above. A CR 101 Memorandum was presented at the Board meeting on April 23, 2025 and is attached to this order.

If approved for filing, the <u>tentative timeline</u> for the rule making process is outlined below:

April 23, 2025	Board is asked to approve filing pre-proposal statement of inquiry (CR 101). CR 101 is filed with the Office of the Code Reviser. Webpage is updated and notice circulated by GovDelivery distribution list. Informal comment period begins.
May 7, 2025	Notice is published in the Washington State Register under
	WSR 25-09-XXX.

June 6, 2025	Informal comment period ends.		
Late May, 2025	Virtual Public Stakeholder Engagement Session		
On or after June 6, 2025	Board is asked to approve filing proposed rules (CR 102). CR 102 is filed with the Office of the Code Reviser. Webpage is updated and notice circulated by the rules distribution list. Formal comment period begins.		
July 2, 2025	Notice is published in the Washington State Register under WSR 25-03.		
On or after July 22, 2025	Public hearing is held and formal comment period ends.		
August 13, 2025	Board is asked to adopt rules if no substantive changes are made (CR 103).  Concise Explanatory Statement is provided to individuals offering written or oral comment at the public hearing or during the formal comment period, consistent with RCW 34.05.325.  CR 103 and adopted rules are filed with the Office of the Code Reviser.  Webpage is updated and notice circulated by GovDelivery distribution list.		
August 27, 2025	Notice is published in the Washington State Register under WSR 25-xx-xxx.		
September 13, 2025	Rules are effective 31 days after filing unless otherwise specified. See RCW 34.05.380(2).		

Approve	Disapprove		
Approve	 Disapprove	Jim Vollendroff, Chair	Date
Approve	Disapprove	Ollie Garrett, Board Member	Date
· ·		Pete Holmes, Board Member	Date

Attachments: CR 101 Memorandum

December 4, 2024 Petition Response



### **CR 101 Memorandum**

Re: Seasonal Hours Requirements for Alcohol Licensees

Date: April 23, 2025

Presented by: Jeff Kildahl, Policy and Rules Coordinator

## Background

Many Washington restaurants experience variations in the numbers of customers that they serve throughout the year. This can be due to seasonal fluctuations in the number of part-time residents in their communities, or seasonal fluctuations in the number visitors to their geographical area throughout the year. This is especially true in regions of the state such as the San Juan Islands, Leavenworth, and the many wilderness areas that attract visitors every year for seasonal outdoor activities.

Restaurants in Washington that hold beer or wine licenses, or both, maintain their licenses according to regulations in <u>WAC 314-02-045</u>. This rule section currently requires license holders to be open for business to the public at least five hours a day, three days a week throughout the year.

In December 2024, the Washington State Liquor & Cannabis Board (Board) accepted a rulemaking petition to consider allowing seasonal adjustments to the minimum hours and days of operation for beer and wine restaurants.

## Reasons Why Rulemaking Is Needed

Rulemaking is needed to consider amending WAC 314-02-045 to allow seasonal adjustments to hours and days of operation for beer and wine restaurants.

Reducing the current requirement for a business to be open to the public from would be beneficial and would give these licensees more control of their business hours. This change could help licensees save business resources during slower seasons of the year and still maintain the beer or wine licenses by opening to the public two days per week.

#### **Process**

The rulemaking process begins by announcing the Board's intent to consider changes to existing rules, adding new rule sections, or both, by filing a preproposal statement of inquiry (CR 101) form with the Office of the Code Reviser. This allows

staff, stakeholders, industry partners, and all members of the authorizing environment to begin discussing proposed rule changes.

At this stage of the rulemaking process, no proposed language is offered. Any interested party may comment on this possible rulemaking during the designated comment period. Notice will be sent to all who have indicated that they want to receive notice of rule activity related to this preproposal statement of inquiry. The notice will identify the public comment period and where comments can be sent.

**CODE REVISER USE ONLY** 



Web site: lcb.wa.gov

Other:

## PREPROPOSAL STATEMENT **OF INQUIRY**

# **CR-101 (October 2017)** (Implements RCW 34.05.310) Do NOT use for expedited rule making

Do NOT use for expedite	u ruie making					
Agency: Washington State Liquor and Cannabis Board						
<b>Subject of possible rule making:</b> WAC 314-02-045. The Washington State Liquor and Cannabis Board (LCB) is considering amending WAC 314-02-045 and any other sections of Title 314 WAC as may be necessary to reduce the amount of time a beer and/or wine restaurant licensee must be open to the public to maintain their license.						
Statutes authorizing the agency to adopt rules on the	nis subject: RCW 66.0	8.030				
December who are this publications to be producted		accomplish to December 2004, the LCD				
Reasons why rules on this subject may be needed a accepted a petition for rulemaking from a member of the number of days per week a beer and/or wine restaurant Currently, WAC 314-02-025(2)(b) requires these license week.	e public requesting to a tlicense must be open	mend WAC 314-02-045 to reduce the required to the public to maintain their license.				
A number of beer and wine restaurant licensees experie throughout the year due seasonal fluctuations in the nul licensee must be open for business for at least three da these licensees more control of their business hours to	mber of visitors to their lys per week would be	area. Reducing the current requirement that a beneficial to small businesses and would give				
Identify other federal and state agencies that regula agencies: None.	te this subject and th	e process coordinating the rule with these				
Process for developing new rule (check all that app	ly):					
☐ Negotiated rule making	•					
☐ Pilot rule making						
☐ Agency study						
☑ Other (describe) Collaborative rule making.						
Interested parties can participate in the decision to publication by contacting:	adopt the new rule ar	nd formulation of the proposed rule before				
publication by contacting.	(If necessary)					
Name: Jeff Kildahl, Policy and Rules Coordinator	Name:					
Address: PO Box 43080, Olympia, WA 98504	Address:					
Phone: 360-480-7960	Phone:					
Fax: 360-704-5027	Fax:					
TTY:	TTY:					
Email: rules@lcb.wa.gov	Email:					

Additional comments: Interested persons can participate in the rule process through open public meetings and by submitting written comments, and are encouraged to sign up for the interested parties list (GovDelivery) at https://public.govdelivery.com/accounts/WALCB/subscriber/new. Rulemaking notices and stakeholder engagement opportunities will be emailed via GovDelivery and posted to the LCB website at lcb.wa.gov.

Web site:

Other:

<b>Date:</b> April 23, 2024	Signature:  Place signature here
Name: Jim Vollendroff	r lace signature here
Title: Chair	