



Washington State Liquor and Cannabis Board

Topic: Petitions for Adoption, Amendment, or Repeal of a State Administrative Rule – Interstate Common Carrier's Licenses

Date: April 23, 2025

Presented by: Jeff Kildahl, Policy and Rules Coordinator

Background

On February 26 and March 26, 2025, the Liquor and Cannabis Board (Board) received rulemaking petitions on behalf of the Western Forest Industries Museum, operators of Mount Rainier Scenic Railroad based in Elbe and Mineral, Washington. The Mount Rainier Scenic Railroad offers scenic passenger rail trips in Pierce and Lewis counties near Mount Rainier, on historic railway cars pulled by steam locomotives.

The Board received these three petitions for rulemaking from Eric Mencis, Bev Wilson, and Mr. R.T. Williams on behalf of the Western Forest Industries Museum. All three petitioners have asked the Board to change [RCW 66.24.395](#) regarding alcohol licenses for interstate common passenger carriers.

The changes requested to RCW 66.24.395 would allow passenger trains offering short excursions or scenic trips inside of the state of Washington to qualify for the same type of alcohol license that is available by law to federally licensed commercial common passenger carriers. By qualifying for the same alcohol license available to the federally licensed commercial carriers, a smaller historic railroad could decide to provide the same or similar alcohol service on board to passengers that is available the on other common carriers, such as aboard passenger airlines or Amtrak trains.

In addition to the petitioners' rulemaking requests, the Western Forest Industries Museum has been working diligently with the Board's Licensing Division staff to identify other alcohol licensing options to expand the current range of licensed events available to passengers on the Mount Rainier Scenic Railroad. Several other alcohol license types are established by law in [Chapter 66.24 RCW](#), including a Nonprofit Organization alcohol license established in [RCW 66.24.495](#) which may be issued to any nonprofit arts organization which sponsors and presents productions or performances of an artistic or cultural nature.

Issue

Whether the Board should amend RCW 66.24.395 to allow passenger trains offering short excursions or scenic trips inside of the state of Washington to qualify for the same type of alcohol license that is available federally licensed commercial common passenger carriers.

Statutes and Rules

[RCW 66.24.395](#) creates an alcohol license that permits licensees operating as federally licensed commercial common passenger carriers that are engaged in interstate commerce to sell spirituous liquor, wine, and beer at retail for passenger consumption within the state upon a train, passenger car, vessel, or airplane, while in or over the territorial limits of the state.

[RCW 66.24.495](#) creates a special alcohol license for any nonprofit arts organization which sponsors and presents productions or performances of an artistic or cultural nature in a specific theater or other appropriate designated indoor premises approved by the board. The license shall permit the licensee to sell liquor to patrons of productions or performances for consumption on the premises at these events.

[WAC 314-27-010](#) sets regulations for the federally licensed interstate commercial common passenger carriers that hold interstate common carrier licenses for alcohol to sell alcohol in or over the territorial limits of the state.

[WAC 314-02-090](#) creates regulations for an alcohol license for a bona fide nonprofit organization to sell beer, wine, and spirits by the individual serving in conjunction with artistic or cultural exhibitions or performances.

Analysis

The three petitions for rulemaking received from Eric Mencis, Bev Wilson, and Mr. R.T. Williams request updates to RCW 66.24.395 to make passenger trains offering short excursions or scenic trips inside of the state of Washington eligible for the same type of alcohol license that is available by law to federally licensed commercial common passenger carriers.

In the first petition for rulemaking, Eric Mencis states the following regarding RCW 66.24.395:

While this law covers railroad operating over the Washington State Line, it forgets to include that the web that makes up the United States Railroad network combines different railroad companies. Not all railroad companies cross state lines. Regional and short-line railroads still fall under common carrier laws and partake in interstate commerce without ever crossing the state line in which they operate. Many short lines or regional railroads around the country offer passenger trains, as their lines are sometimes located in scenic parts of the country, and they want to provide the public in the areas they operate in a chance to experience the railroad as part of their public relations. The way Washington Law RCW 66.24.395 as written excludes those railroads from obtaining a license.

In the second petition for rulemaking, Bev Wilson states the following:

By expanding the provisions of RCW 66.24.395 to include all passenger trains, we can foster a more competitive environment that benefits both train operators and their customers. This initiative is a step toward improving Washington's tourism experience and supporting local businesses.

In the third petition for rulemaking, Mr. R.T. Williams states the following:

To help continue our efforts to promote, improve and sustain M.R.S.R., we would appreciate you and your board understanding the importance of our request and revising RCW 66.24.395 to include in-state federally recognized passenger railroads.

The Washington Legislature created many types of alcohol licenses that are set forth in Washington law in [Chapter 66.24 RCW](#). RCW 66.24.395 was adopted by the legislature as a new statute in 1975 as Engrossed Senate Bill 2670 (Chapter 245, Laws of 1975). As part of the Revised Code of Washington, RCW 66.24.395 or other state statutes making up the Revised Code of Washington can only be created, changed, or repealed through a bill in the Legislature, or through an initiative measure as set forth in [Chapter 29A.72 RCW](#).

Although the Board lacks the law making authority to change RCW 66.24.395 to include passenger railroads that are not operating as federally licensed commercial common carriers over the borders of Washington, the Board's Licensing Division has assisted the Western Forest Industries Museum with other licensing options.

One option identified for the Mount Rainier Scenic Railroad to allow for spirits, beer, and wine to be sold to passengers on board during train trips is for them to obtain the Nonprofit Organization alcohol license created by the legislature in [RCW 66.24.495](#) and regulated by the Board's rules contained in [WAC 314-02-090](#). Additionally, the Western Forest Industries Museum can utilize a Special Occasion License as identified in [RCW 66.24.380](#) for other types of events that are not held on board the train.

Conclusion

The Board lacks the law making authority to amend RCW 66.24.395; therefore, the Board is unable to change the legal qualifications for the Interstate Common Carrier's license as contained in the statute. However, Western Forest Industries Museum qualifies for a different alcohol license type under RCW 66.24.495 available to nonprofit organizations that will allow for spirits, beer, and wine to be sold to passengers on the Mount Rainier Scenic Railroad as these three petitions have requested.

Recommendation


For the reasons described above, Director’s Office staff recommend that consistent with RCW 34.05.330, the Board deny petitions received from Eric Mencis, Bev Wilson, and Mr. R.T. Williams for amending RCW 66.24.395 submitted on February 26, 2025 and March 26, 2025.

Board Action

After considering the recommendation of Director’s Office staff, the Board accepts/denies the petitions for rulemaking received from on April 23, 2025.

<p>_____ Accept <u> X </u> Deny</p>	 <hr/> <p>Jim Vollendroff, Chair</p>	<p><u>4/23/2025</u> Date</p>
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<p>_____ Accept <u> X </u> Deny</p>	 <hr/> <p>Ollie Garrett, Board Member</p>	<p><u>4/23/2025</u> Date</p>
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<p>_____ Accept <u> X </u> Deny</p>	 <hr/> <p>Pete Holmes, Board Member</p>	<p><u>4/23/2025</u> Date</p>
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Attachments

1. Petition from Eric Mencis
2. Petition from Bev Wilson
3. Petition from Mr. R.T Williams



PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with [RCW 34.05.330](#), the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at <http://apps.leg.wa.gov/wac/default.aspx?cite=82-05>.

CONTACT INFORMATION *(please type or print)*

Petitioner's Name Eric Mencis

Name of Organization Western Forest Industries Museum

Mailing Address PO Box 465

City Eatonville State WA Zip Code 98328

Telephone 2078150167 Email eric.mencis@wfim.org

COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClist.htm>.

INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: _____

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

The subject (or purpose) of this rule is: _____

The rule is needed because: _____

The new rule would affect the following people or groups: _____

2. AMEND RULE - I am requesting the agency to change an existing rule.

List rule number (WAC), if known: RCW 66.24.395

- I am requesting the following change: For the law to include all passenger trains/common carrier railroads, that travel only inside the state of Washington and not over state lines.
- This change is needed because: A passenger train offering excursion/scenic trips within the state of Washington do not quaifully any other lincenses.
- The effect of this rule change will be: Including trains operating wthin the state of Washington, will allow scenic railroads to bring in more tourism dollars to remote areas of the sate.
- The rule is not clearly or simply stated: _____

3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.

List rule number (WAC), if known: _____

(Check one or more boxes)

- It does not do what it was intended to do.
- It is no longer needed because: _____
- It imposes unreasonable costs: _____
- The agency has no authority to make this rule: _____
- It is applied differently to public and private parties: _____
- It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: _____
- It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: _____
- Other (please explain): _____

Law As written:

Interstate common carrier's licenses—Class CCI—Fees—Scope.

(1)(a) There shall be a license that may be issued to corporations, associations, or persons operating as federally licensed commercial common passenger carriers engaged in interstate commerce, in or over territorial limits of the state of Washington on passenger trains, vessels, or airplanes. Such license shall permit the sale of spirituous liquor, wine, and beer at retail for passenger consumption within the state upon one such train passenger car, vessel, or airplane, while in or over the territorial limits of the state. Such license shall include the privilege of transporting into and storing within the state such liquor for subsequent retail sale to passengers in passenger train cars, vessels or airplanes. The fees for such master license shall be seven hundred fifty dollars per annum (class CCI-1): PROVIDED, That upon payment of an additional sum of five dollars per annum per car, or vessel, or airplane, the privileges authorized by such license classes shall extend to additional cars, or vessels, or airplanes operated by the same licensee within the state, and a duplicate license for each additional car, or vessel, or airplane shall be issued: PROVIDED, FURTHER, That such licensee may make such sales and/or service upon cars, or vessels, or airplanes in emergency for not more than five consecutive days without such license: AND PROVIDED, FURTHER, That such license shall be valid only while such cars, or vessels, or airplanes are actively operated as common carriers for hire in interstate commerce and not while they are out of such common carrier service.

(b) Alcoholic beverages sold and/or served for consumption by such interstate common carriers while within or over the territorial limits of this state shall be subject to such board markup and state liquor taxes in an amount to approximate the revenue that would have been realized from such markup and taxes had the alcoholic beverages been purchased in Washington: PROVIDED, That the board's markup shall be applied on spirituous liquor only. Such common carriers shall report such sales and/or service and pay such markup and taxes in accordance with procedures prescribed by the board.

(2) Alcoholic beverages sold and delivered in this state to interstate common carriers for use under the provisions of this section shall be considered exported from the state, subject to the conditions provided in subsection (1)(b) of this section. Interstate common carriers licensed under this section may purchase alcoholic beverages outside the territorial limits of the state of Washington and import such alcoholic beverages into the state of Washington for sales and service aboard passenger trains, vessels, or airplanes. The storage facilities for liquor

within the state by common carriers licensed under this section shall be subject to written approval by the board.

(3) Interstate common carriers licensed under this section may provide complimentary alcoholic beverages to passengers aboard passenger trains, vessels, or airplanes.

Issue: While this law covers railroad operating over the Washington State Line, it forgets to include that the web that makes up the United States Railroad network combines different railroad companies. Not all railroad companies cross state lines. Regional and short-line railroads still fall under common carrier laws and partake in interstate commerce without ever crossing the state line in which they operate. Many short lines or regional railroads around the country offer passenger trains, as their lines are sometimes located in scenic parts of the country, and they want to provide the public in the areas they operate in a chance to experience the railroad as part of their public relations. The way Washington Law RCW 66.24.395 as written excludes those railroads from obtaining a license.

Scenic Railroads: Not all scenic railroads can offer dinner trains or food service in a way to qualify for restaurant licenses. Even onboard dinner trains, the menu is limited due to what safely can be cooked and stored in the dining cars onboard the train. Not all scenic railroads have access to dining/kitchen cars but have modified another car for food and drink service in a way to include premade meals and sandwiches, quick and easy meals cooked in the microwave, or meals cooked offsite and then loaded on the train ordered from a limited menu when purchasing the tickets.

Scenic Railroad is a billion-dollar industry nationwide, bringing millions of tourist dollars and economic impact to usually rural and remote parts of the country. The Durango & Silverton Narrow Gauge Railroad in Durango, Colorado, carries around 200,000 passengers a year and simultaneously operates several concession cars, parlor cars, and club cars. Since the D&SNG started in 1981, the funding and increase from growing the onboard sales has allowed the railroad to grow to employing over 400 employees, bringing in millions of dollars annually for Durango's restaurants, hotels, tourism industry, as well as supporting the mountain community of Silverton, Colorado a town of only 500 year-round residents but supports nearly 3000 seasonal residents.

The same can be said for the Skunk Train in Northern California, the Western Maryland Scenic Railroad in Maryland, The Oregon Coast Railroad & Mt Hood Railway of Oregon, The Grand Canyon Railway and Verdi Canyon Railroad of Arizona, the Royal Gorge Route Railroad in Colorado, the Reading & Northern Passenger Division in Pennsylvania, and many more across the country.

This came about as the Western Forest Industries Museum DBA, the Mt Rainier Scenic Railroad, applied to grow its operation here in Washington. As a non-profit, all the revenue the railroad generates is invested back into the railroad and surrounding area. The railroad saw law RCW 66.24.395 as it seemed to be written for passenger trains but, unfortunately, does not qualify

unless the railroad was to run an excursion outside the state. This is when the railroad is restoring the 15 miles of track down to Morton and the 15 miles up to Eatonville from the Elbe station. Your average railroad tie is around \$100, with 5000 ties per mile. Revenue created from the sale of liquor onboard would be a funding source for the track restoration. Once the track was restored, the railroad would be open for passenger trains and hauling lumber, other forest products, and freight between Eatonville and Morton. Taking trucking off the rural mountain roads, providing jobs for the local communities, and hauling passengers and goods in a more environmentally friendly manner.

The State of Washington has missed out on tourism and tax revenue dollars, as the law currently deters any growth in the tourist railroad industry within the state of Washington.

How other states have handled this:

The following links will lead to other states and similar laws allowing all railroads in the state to participate.

Oregon: <https://www.oregon.gov/olcc/lic/Docs/License-Privileges-Full-On-Premises-Public-Passenger-Carrier.pdf>

Illinois: <https://ilcc.illinois.gov/content/dam/soi/en/web/ilcc/sitecollectiondocuments/specialty-liquor-license-application.pdf>

Missouri <https://revisor.mo.gov/main/OneSection.aspx?section=311.200>

Ohio: <https://com.ohio.gov/divisions-and-programs/liquor-control/new-permit-info/applications-and-forms/E-alcohol-sales-on-railroad-cards-or-airlines>

Maryland: <https://law.justia.com/codes/maryland/2022/alcoholic-beverages/division-i/title-2/subtitle-4/section-2-405/>

Colorado: <https://law.justia.com/codes/colorado/2017/title-12/general-continued/article-47/part-4/section-12-47-419/>

California: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=23397.



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CONTACT INFORMATION *(please type or print)*

Petitioner's Name Bev Wilson
 Name of Organization Western Forest Industries Museum
 Mailing Address 333 Washington Ave N. Apt B.
 City Edinville State WA Zip Code 98328
 Telephone 360 832 4486 Email bwilson@rainerconnect.com

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- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClst.htm>.

INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: Liquor and Cannabis Board

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The subject (or purpose) of this rule is: _____

The rule is needed because: _____

The new rule would affect the following people or groups: _____

2. AMEND RULE - I am requesting the agency to change an existing rule.

List rule number (WAC), if known: RCW 66.24.395

- I am requesting the following change: Allow the existing rule to cover instate passenger trains, including trains operated for scenic tours in Washington
- This change is needed because: Rule as is only covers trains crossing over the state line into other state. Trains only traveling in the state of Washington do not fall under any other licenses.
- The effect of this rule change will be: Passenger Trains within the state of Washington will be allowed to grow and expand their experiences as well as the economies around them.
- The rule is not clearly or simply stated: _____

3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.

List rule number (WAC), if known: _____

(Check one or more boxes)

- It does not do what it was intended to do.
- It is no longer needed because: _____
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- It is applied differently to public and private parties: _____
- It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: _____
- It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: _____
- Other (please explain): _____

333 Washington Ave N. Apt B
Eatonville, WA 98328
bwilson@rainierconnect.com
March 17, 2025

Rules Coordinator
Washington Liquor and Cannabis Board
P.O. Box 43083
Olympia, WA 98504

Dear Rules Coordinator

I hope this message finds you well. I am writing to request an amendment to RCW 66.24.395 to include all passenger trains operating within the state of Washington. Currently, this law applies only to trains crossing state lines, which places valuable in-state services at a disadvantage.

One notable example is the Mt. Rainier Scenic Railroad, which is crucial in promoting tourism in our region. By allowing onboard beverage service on passenger trains like the Mt. Rainier Scenic Railroad, we can significantly enhance the overall travel experience for passengers. A scenic ride through the beautiful landscape of Mount Rainier would be even more enjoyable with the option of locally sourced beverages, enabling visitors to celebrate the beauty of our state during their journey.

Providing beverage services would not only improve the customer experience but also generate additional revenue for these tourist-focused railroads. Increased revenue from beverage sales would allow the Mt. Rainier Scenic Railroad and similar operations to invest further in their services, upgrade their facilities, and expand their offerings. This could lead to the creation of new jobs within the local community and benefit our economy as a whole.

Furthermore, allowing onboard beverage service would promote local breweries and wineries while fostering a culture of responsible consumption during travel. This change would establish a precedent for providing a curated experience highlighting Washington's unique craft beverage industry and encouraging passengers to explore our local offerings during their visits.

By expanding the provisions of RCW 66.24.395 to include all passenger trains, we can foster a more competitive environment that benefits both train operators and their customers. This initiative is a step toward improving Washington's tourism experience and supporting local businesses.

I kindly urge the Washington Liquor and Cannabis Board to consider this amendment and its positive impact on passenger trains, including the Mt. Rainier Scenic Railroad and other tourist-related services. Thank you for your attention to this important matter, and I look forward to your favorable response.

Sincerely,



Bev Wilson
360 832 4486
Secretary/Treasurer
Western Forest Industries Museum

March 17, 2025

Mr. R. T. Williams
Former President of Associated Petroleum Products
Retired
P.O. Box 1868
Eatonville, Washington
98328

Mr. Daniel Jacobs
Rules Coordinator
Washington Liquor and Cannabis Board
P.O. Box 43083
Olympia, Washington

Dear Mr. Jacobs:

I am writing this letter to you in regard to RCW 66.24.395 which allows liquor licenses to only trains that cross-state lines. As a board member of the Mount Rainier Scenic Railroad, we are asking the Washington Liquor and Cannabis Board to look into expanding that ruling to include federally recognized passenger railroads that operate exclusively within the state.

The Mount Rainier Scenic Railroad has been a blessing to the residents and businesses in this area. Operating in some of the most economically depressed parts of Pierce and Lewis Counties, M.R.S.R. serves as a significant economic generator to these areas. Their mission is to also preserve the extraordinary Railroad Museum that highlights the history of the Tacoma Eastern Railroad.

With the success of M.R.S.R. (over 77,000 riders in 2024) we have found that the railroad has become a major tourist attraction to not only residents of the Northwest but tourists from all over the world. Knowing the importance of keeping the M.R.S.R. a major attraction, the management and crew are working long hours to improve and expand the capability of the railroad. Much effort has been put into improving the tracks to allow for a longer train ride. A ride that would include a dinner train. A formal dinner without an alcoholic beverage does

not give the M.R.S.R. the opportunity to offer its riders the quality experience they deserve.

To help continue our efforts to promote, improve and sustain the M.R.S.R., we would appreciate you and your board understanding the importance of our request and revising RCW 66.24.395 to include in-state federally recognized passenger railroads.

Yours truly:

A handwritten signature in black ink, appearing to read "Richard T. Williams". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

R. T. Williams