

CR-102 Memorandum

Implementing Second Substitute House Bill (2SHB) 1515 Regarding Expanded Alcohol Service Areas

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Background

<u>Second Substitute House Bill (2SHB) 1515 (chapter 361, Laws of 2025)</u> passed in the Washington state legislature during the 2025 legislative session and became effective July 27, 2025. Most of the provisions of 2SHB 1515 are codified at <u>RCW 66.24.800</u>.

2SHB 1515 creates three new liquor authorizations available to local governments to expand existing common areas where patrons of liquor licensees can consume alcohol. Each of the three different liquor authorizations has different requirements and expands permissible alcohol consumption areas in slightly different ways. See RCW 66.24.800(1)-(4).

For ease of reference, the Liquor and Cannabis Board (LCB) is referring to the three authorizations as follows:

- 1) expanded outdoor alcohol service authorization RCW 66.24.800(1),
- 2) civic campus authorization RCW 66.24.800(2), and
- 3) fan zone authorization RCW 66.24.800(4).

2SHB 1515 also requires participants of the civic campus and fan zone authorizations to file a joint operating plan with the LCB, with specific required elements. See $\frac{RCW}{66.24.800(2)(b)(v)}$.

2SHB 1515 requires the LCB to impose fees on liquor licensees and local governments applying for one of these authorizations "in order to cover but not exceed the board's administrative and enforcement costs related to activities authorized [by 2SHB 1515]." RCW 66.24.800(5).

2SHB 1515 expands the LCB's statutory rulemaking authority to "[i]mpos[e] reasonable requirements on licensees' operations of alcohol service areas and the sale, service, and consumption of alcohol authorized [in 2SHB 1515]." RCW 66.08.030(22).

2SHB 1515 also changed the statutory requirements for caterer licenses (<u>RCW</u> 66.24.690), special occasion licenses (<u>RCW</u> 66.24.380) and the prohibition against carrying an open container in public (<u>RCW</u> 66.44.100) to allow caterers, special

occasion licensees, and members of the public to participate in the newly allowed activities.

2SHB 1515 requires cities that are obtaining the civic center authorization to submit a report to the LCB and legislature by January 1, 2027. See RCW 66.24.810. Any local government that obtains any of the three authorizations is required to do a public engagement review and submit a report detailing the results to the LCB. See RCW 66.24.820.

The CR-101 was filed on May 7, 2025, as <u>WSR 25-10-103</u>. Public comment on the CR-101 was <u>open from</u> May 7, 2025 until June 7, 2025. The LCB received one comment during that time period, from the Seattle Department of Transportation. See Attachment A.

The three authorizations have different expiration dates. The expanded outdoor alcohol service and civic campus authorizations expire December 31, 2027. See RCW 66.24.800 – Finding – Intent (3).But the fan zone authorization is specifically designed for use during the FIFA World Cup in the summer of 2026, and it therefore is only to be issued during June or July 2026, when the state of Washington, and Seattle specifically, is scheduled to host several high-profile soccer matches that are expected to garner international attention, and hopefully tourism revenue.

However, 2SHB 1515 did not have a delayed or specified effective date. The provisions therefore became effective July 27, 2025. Even the fastest standard rulemaking would not have been able to get final rules effective by July 27, 2025. Therefore, the LCB issued a policy statement (<u>PS25-01, WSR 25-17-040, filed August 13, 2025, effective August 27, 2025</u>) to explain the requirements licensees need to meet to obtain the legally permitted authorizations before rule language was finalized.

Additionally, the LCB has created a dedicated email address for questions about these new authorizations (ExpandedAlcoholServices@lcb.wa.gov) and a dedicated webpage with information for licensees and local governments with questions and looking for resources on how to go about the application process. The webpage and email address are managed by the Licensing division to assist applicants.

Additionally, <u>Second Substitute Senate Bill (2SSB) 5786</u>, chapter 343, <u>Laws of 2025</u>, changed the application fees for special occasion licenses and caterers licenses, and while those applicable rules are open for this rulemaking, the LCB is making the appropriate fee changes in the corresponding rules to align the rule language with the amended statutory language.

Stakeholder Engagement

The project team consists of representatives from the Attorney General's Office, Enforcement & Education division, Licensing division, the Finance division, IT, Communications, Public Health Liaison and Legislative liaison.

Following many project team meetings, <u>draft rule language</u> was posted on the LCB website and circulated via <u>gov delivery message</u> on August 1, 2025, along with invitations to stakeholder engagements to be held on August 20 (recording <u>here</u>) and August 22, 2025 (recording <u>here</u>). This <u>Powerpoint presentation</u> was presented during the stakeholder engagement sessions.

Following the stakeholder engagement sessions, LCB staff engaged in several conversations with staff from Washington cities, legislators, and major trade groups on how the language was developing positively, and where there was room for improvement.

A <u>second draft</u> of rule language was circulated on October 3, 2025, publicized via a <u>second gov delivery message</u> sent on October 9, 2025.

Themes and Goals of Rulemaking

This CR-102 filing proposes to amend the following existing rules:

WAC	Name	
314-02-112	Caterers License	
314-03-200	Outside or Extended Alcohol Service	
314-05-020	Special occasion license	
314-05-025	Application process for special occasion license	
314-05-030	Requirements for special occasion license events	
314-29-025	Group 2 regulatory violations	
314-29-030	Group 3 regulatory violations	

It also proposes to create the following new rules:

WAC	Name	
314-03-210	Expanded outdoor alcohol service authorization	
314-03-211	Civic campus authorization	
314-03-212	Fan zone authorization	
314-03-213	Joint operating plan	
314-03-214	Public engagement review	
314-03-215	Licensee sharing alcohol service area with nonlicensee	

Incorporating Statutory Directions into Rule Language

The proposed new rule language, to the maximum extent possible, copies statutory language verbatim, or explicitly refers to the new statutory language. No new terms have been defined in rule. The closest to a new definition is determining how long a multiday event will be. While earlier drafts of the rule language proposed a multiday event to last no more than seven days, following stakeholder feedback, the proposed rule language defines a multiday event as no more than 14 days.

Allowing Existing Rules and Frameworks to Guide to the Extent Possible

There are several instances where the statute dictates that certain restrictions existing in other rules about outdoor or expanded alcohol service shall not apply to these new authorizations, such as regarding barriers, entrances and exits, and how employees are to monitor the expanded outdoor alcohol service area. See RCW 66.24.800(1).

The rule language only identifies minimum height of barriers and maximum width of entrances as applying when the local jurisdiction does not have an applicable standard. For these standards, the rule language uses existing standards from WAC 314-03-200. Where maximum numbers of drinks are determined to be set by the Board, the rule language mirrors existing standards established for sports entertainment facilities. See WAC 314-02-058(1)(d)(v).

Joint Operating Plan

While statutory language granted the Board the authority to add required elements to the joint operating plan, the language only proposes to add three requirements not specifically identified in statute.

First, licensees identify how they will ensure compliance with existing laws and regulations prohibiting the removal of alcohol from the alcohol service area or event perimeter. This requirement is like existing language in <u>WAC 314-03-200(4)(f)</u>.

Second, licensees must maintain separate records, as is already required in statute and rule. Language is also borrowed from WAC 314-03-200(4)(c).

Third, licensees submit a map of the proposed alcohol service area, with the following identified: a north arrow indicator, where alcohol will be purchased and served, the location of any barriers, entrances and exits, and adjacent public streets. This is meant to be analogous to other existing floor plan requirements for other licensees and will help the Board visualize where the alcohol service area will be for purposes of mapping and to enable the public to better understand how their local jurisdiction will be impacted.

Sharing Service area with non-licensees

This rule language is important to the Board because this is not something that the Board has historically permitted in other regulations, and the rule language strives to reinforce that this is not a practice that the Board is currently interested in expanding to other license types.

Fee Determination Discussion

During the 2025 legislative session, Board staff met with legislative staff and identified the costs that 2SHB 1515 would impose on the Board to administer and attempted to get specified fees included in the bill language. In identifying the specified fees, Board staff calculated the costs that implementation of 2SHB 1515 would impose on the Board and determined fees for local governments and licensees that would cover these costs. These specified fees did not get included in the final language of 2SHB 1515.

RCW 66.24.800(5) states the Board must impose a fee on certain licensees and local governments "in order to cover but not exceed the Board's administrative and enforcement costs related to activities authorized under [2SHB 1515]."

In calculating fees that would meet this definition, the Board used the same calculations that were used in discussions with legislative staff, and identified the additional costs to implement the relevant provisions of 2SHB 1515 as follows:

Special Occasion Licensees	\$185 per day
Local Government –	\$1,700 per authorization
Expanded Outdoor Alcohol Service Authorization	
Local Government – Civic Center Authorization	\$1,500 per event
Local Government – Fan Zone Authorization	\$3,900 per event

Estimated Costs of Compliance

Under the Regulatory Fairness Act (RFA) in <u>chapter 19.85 RCW</u>, agencies are required to consider the costs that complying with the proposed rules will impose on businesses, unless the proposed rules are subject to an exemption to this requirement. The CR-102 form describes these exemptions in more detail.

Two such exemptions identified are that the rule exemption is exempt under $\frac{RCW}{19.85.025(3)}$ if the rule proposal is dictated by statute, ($\frac{RCW}{34.05.310(4)(e)}$) or relating to process requirements for applying to an agency for a permit ($\frac{RCW}{34.05.310(4)(g)}$).

These rules are implementing legislation and passed by the Washington state legislature, signed by the Governor, and enacted into law and codified in new statutes and amendments to existing statute. The rule changes are therefore dictated by statute, qualifying under RCW 34.05.310(4)(e). RCW 66.24.800(5) instructs the LCB to charge fees for new authorizations, and to set fees subject to a threshold discussed in more detail above. The rule changes are therefore also regarding setting or adjusting fees, qualifying under RCW 34.05.310(4)(f). RCW 66.24.800 creates three new authorizations, which are a type of license or permit, for local jurisdictions and qualifying liquor licensees to apply for and identifies requirements for the application process. 2SHB 1515 provides the LCB with rulemaking authority to set additional requirements for the application process, and therefore qualify under RCW 34.05.310(4)(g).

Therefore, the proposed rules are exempt from the Regulatory Fairness Act.

Rule Necessity

These rule changes are needed to implement the language in 2SHB 1515.

Description of Rule Changes

The proposed rule changes are identified in the tables below. The first set of tables identify the proposed amendments to existing rules:

	WAC 314-02-112 - Caterers License (RDS 6450.5)			
Section	Existing Language	Proposed Language (CR 102)	Reason for Change	
(4)	If the catered event is open and advertised to the public, the event must be sponsored by a nonprofit society or organization as defined in RCW 66.24.375.	If the catered event is open and advertised to the public, the event must be sponsored by a nonprofit society or organization as defined in RCW 66.24.375, except as permitted in RCW 66.24.800 (3)(b), (effective until December 31, 2027).	Adding language to create reference to 2SHB 1515, chapter 361, Laws of 2025, codified in RCW 66.24.800.	
(10)	A caterer's license holder is not allowed to cater events at a liquor licensed premises.	For events at a civic campus authorized under WAC 314-03-211 or events at fan zone authorized under WAC 314-03-212, participating caterers must attest to joint responsibility as submitted by the campus operator or the local authority.	To create consistency with other licensees allowed to participate in events at a civic campus or fan zone, caterers are required to attest to the same level of responsibility as other licensees, and consistent with RCW 66.24.710(7). Language previously in section 10 is now in section 11.	
(11)	The holder of the caterer's license may store liquor on other premises operated by the licensee if the licensee owns or has a leasehold interest at the other premises. Documentation must be provided to the board showing the licensee owns or has a leasehold interest in the property.	A caterer's license holder is not allowed to cater events at a liquor licensed premises, except as permitted in RCW 66.24.800 (3)(b), (effective until December 31, 2027).	Adding language to create reference to 2SHB 1515, chapter 361, Laws of 2025, codified in RCW 66.24.800. Language previously in section 10 is now in section 11, and the previous section 11 is now section 12.	
(12)	Renumbered as (13).			
(13)	Renumbered as (14)			
(14)	Fees adjusted consistent with 2SSB 5786, chapter 343, Laws of 2025.			

WAC 314-03-200 – Outside or extended alcohol service (RDS-6451.2)				
Section Existing Language Proposed Language (CR 102)		Reason for Change		
(7)	N/a	This rule does not apply to outdoor or expanded alcohol service authorized by RCW 66.24.800 (effective until	Clarifying that the existing framework in WAC 314-03-200 is separate from the new authorizations identified in	

December 31, 2027).	RCW 66.24.800 and its
	corresponding sections in
	Title 314 WAC.

	WAC 314-05-020 – Special occasion license (RDS-6452.4)			
Section	Existing Language	Proposed Language (CR 102)	Reason for Change	
(1)(a)	Spirits, beer, and wine by the individual serving and wine by the bottle for on-premises consumption; and	Spirits, beer, and wine by the individual serving and wine by the bottle for on-premises consumption, except that wine by the bottle or in original, unopened containers may not be sold for on-premises consumption at events pursuant to RCW 66.24.800 (expires December 31, 2027), WAC 314-03-211 (expires December 31, 2027), or WAC 314-03-212 (expires August 1, 2026); and	Adding language to make consistent with language added to RCW 66.24.380(3) as amended by 2SHB 1515, chapter 361, Laws of 2025.	
(2)	Special occasion licensees may have no more than twelve days of events per calendar year (see RCW 66.24.380(1) for an exception for agricultural fairs).	N/a	Moving to (2)(a) to reflect the addition of (2)(b).	
(2)(a)	N/a	Special occasion licensees may have no more than 12 days of events per calendar year (see RCW 66.24.380(1) for an exception for agricultural fairs).	Moving from (2), and number greater than 10 changed to Arabic numerals consistent with the Code Reviser's Office Instructions on Style.	
(2)(b)	N/a	Events pursuant to authorized civic campus and fan zones as referenced in WAC 314-03-211 and 314-03-212 do not count towards the limitation in (a) of this subsection.	Adding language to make consistent with language added to RCW 66.24.380(1) as amended by 2SHB 1515, chapter 361, Laws of 2025.	
(3)	The fee for the special occasion license is sixty dollars per day, per event. Multiple alcohol service locations at an event are an additional sixty dollars per location.	N/a	Moving to (3)(a) to reflect the addition of (3)(b).	
(3)(a)	N/a	The fee for the special occasion license is \$90 per day, per event. Multiple alcohol service locations at an event are an additional \$90 per location.	Fees adjusted consistent with RCW 66.24.380, as amended by 2SSB 5786, chapter 343, Laws of 2025.	
(3)(b)	N/a	The fee is \$185 per day, per event, for civic campus and fan zone events pursuant to WAC 314-03-211 and 314-03-212. Multiple alcohol service locations at an event are an additional \$185 per location.	See Fee Determination Discussion above.	

WAC 314-05-025 – Application process for a special occasion license (RDS-6452.4)					
Section	Existing Language	Proposed Language (CR 102)	Reason for Change		
(1)(a)					
(1)(b)	Be submitted with an application addendum at least sixty days prior to an event where the applicant requests minors in attendance; or	Be submitted with an application addendum at least 60 days prior to an event where the applicant requests minors in attendance and for events for civic campus and fan zones pursuant to WAC 314-03-211 and 314-03-212; or	Changing number to Arabic numeral. Adding language to reference new rules WAC 314-03-211 and 314-03-212, which describe the new authorizations in RCW 66.24.800.		
(1)(c)	Ch	anging number to Arabic numeral.			
(3)	Consistent with RCW 66.24.010(8), the board must send a notice to the local authority for each application received. The local authority has twenty days to respond or request an extension for good cause.	Consistent with RCW 66.24.010(8), the board must send a notice to the local authority for each application received, unless the local authority has received authorization for civic campus or fan zone events pursuant to WAC 314-03-211 or 314-03-212. The local authority has 20 days to respond or request an extension for good cause.	Changing number to Arabic numeral. Adding language to reference new rules WAC 314-03-211 and 314-03-212, which describe the new authorizations in RCW 66.24.800.		
(5)	Special occasion licenses may be denied for reasons including, but not limited to, those outlined in chapter 314-07 WAC. Denials are subject to the provisions of the Administrative Procedure Act, chapter 34.05 RCW.	N/a	Moving to 5(a) to reflect the addition of 5(b).		
(5)(a)	N/a	Special occasion licenses may be denied for reasons including, but not limited to, those outlined in chapter 314-07 WAC. Denials are subject to the provisions of the Administrative Procedure Act, chapter 34.05 RCW.	Moving from section 5 to reflect the addition of 5(b).		
(5)(b)	N/a	At the board's discretion, repeat violations at events on civic campuses and fan zones pursuant to WAC 314-03-211 and 314-03-212 within a two-year period can be cause for denial of a license under this rule, or participation in future events.	Adding language to make consistent with language added to RCW 66.24.380(6) as amended by 2SHB 1515, chapter 361, Laws of 2025.		

WAC 314-05-030 – Requirements for special occasion license events (RDS-6452.4)

Section	Existing Language	Proposed Language (CR 102)	Reason for Change
(14)	Consistent with RCW 66.24.380, the sale, service, and consumption of alcohol must be confined to a designated area.	Consistent with RCW 66.24.380, the sale, service, and consumption of alcohol must be confined to a designated area, unless the event is pursuant to RCW 66.24.800 (expires December 31, 2027).	Adding language to make consistent with language added to RCW 66.24.380(4) as amended by 2SHB 1515, chapter 361, Laws of 2025.
(15)	If a special occasion event is held at an establishment that has a liquor license:	If a special occasion event is held at an establishment that has a liquor license, the following applies, unless the event is pursuant to RCW 66.24.800 (expires December 31, 2027):	Adding language to make consistent with language in RCW 66.24.800.

W	WAC 314-29-025 – Group 2 regulatory violations – (RDS-6306.3)				
	New Row for penalties				
Violation Type	1 st Violation	2 nd Violation in a	3 rd Violation in a	4 th Violation in a	
		two-year window	two-year window	two-year window	
Failure to assign MAST trained employee to an expanded alcohol service area. RCW 66.24.800 WAC 314-03-210 WAC 314-03-211 WAC 314-03-212	5-day suspension or \$500 monetary option	5-day suspension or \$1,500 monetary option	10-day suspension or \$3,000 monetary option	Cancellation of license	

WAC 314-29-030 – Group 3 regulatory violations – (RDS-6728.1)			
Section	Proposed Language (CR 102)	Reason for Change	
Operating Plan Penalty Row	[Adding WAC 314-03-211 and WAC 314-03-212 as possible WAC section violations that can result in penalty]	Clarifying that WAC 314-03-211 and 314-03-212 contain operating plan requirements that, if violated, will be penalized in the same manner as violations of other operating plan requirements in Title 314 WAC.	

This next set of tables identify proposed new rules:

WAC 314-03-210 – Expanded outdoor alcohol service authorization (RDS-6403.11)			
Section	Proposed Rule	Reason	
(1)	Definitions:	Identifying terms to be used throughout the rule.	
(1)(a)	"Alcohol service area" means an area in which liquor may be sold, served, and consumed as authorized under Title 66 RCW and rules of the board.	Same definition as in RCW 66.24.800(6)(a).	
(1)(b)	"Licensee" means one or more of the following, as	Same as licensees identified in RCW	

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(4) (1,) (1)	licensed under Titles 66 RCW and 314 WAC:	66.24.800(1)(c).
(1)(b)(i)	Beer and wine restaurant;	
(1)(b)(ii)	Spirits, beer, and wine restaurant;	
(1)(b)(iii)	Tavern;	
(1)(b)(iv)	Domestic winery;	
(1)(b)(v)	Domestic brewery;	
(1)(b)(vi)	Microbrewery;	
(1)(b)(vii)	Distillery; or	
(1)(b)(viii)	Snack bar.	
(1)(c)	"Local jurisdiction" means a city, town, county, or port authority.	Creating shorthand for the types of local government entities permitted to engage in these activities and to avoid having to repeat this list throughout the new rule.
(2)	The expanded outdoor alcohol service authorization described in this rule allows licensees within a local jurisdiction to share an expanded outdoor alcohol service area with other licensees subject to the requirements of this rule.	Describing the activity allowed by the authorization, consistent with RCW 66.24.800(1)(b)(iv).
(2)(a)	This rule does not apply to outdoor or expanded alcohol service as described in WAC 314-03-200.	Distinguishing this authorization from the activity described in WAC 314-03-200.
(2)(b)	Licensees may share use of an expanded outdoor alcohol service area with businesses that do not engage in the sale or service of alcohol, subject to the requirements in WAC 314-03-215.	See RCW 66.24.800(1)(b)(iv). Also pointing to a newly created rule on licensees sharing alcohol service area with businesses not engaged in the sale or service of alcohol.
(2)(c)	Licensees participating in expanded outdoor alcohol service must notify the board. Licensees participating may designate a primary licensee to provide notification of participation to the board.	Consistent with RCW 66.24.800(1)(b), stating that licensees can designate a primary licensee as the point of contact for communications with the Board.
(2)(d)	All participating licensees are jointly responsible for any violation or enforcement issues unless it can be demonstrated that the violation or enforcement issues was due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.	See RCW 66.24.800(1)(b)(iv).
(3)(a)	The authorization described in this rule may include the entire local jurisdiction, or a specific area or areas of the local jurisdiction.	See RCW 66.24.800(1)(a).
(3)(b)	A county can only be approved for the authorization in this rule as to unincorporated areas of the county.	
(4)	A local jurisdiction that requests approval from the board for an expanded outdoor alcohol service authorization, as described in this rule, shall submit documentation of the following with its request:	See RCW 66.24.800(1)(d).
(4)(a)	How local resources will be allocated regarding the expanded outdoor alcohol service area, including law enforcement patrols, to ensure safe operations of activities, the safety of the community, consistent with RCW 66.24.800 (1)(d)(i), and compliance with WAC 314-11-015;	Consistent with RCW 66.24.800(1)(d)(i), and identifying that compliance with WAC 314-11-015, which identifies various responsibilities of a liquor licensee, is still required.
(4)(b)	How services will be allocated or provided to keep the expanded outdoor alcohol service area clean and free of litter or other remnants of the use of public space for expanded outdoor alcohol service,	See RCW 66.24.800(1)(d)(ii).

	consistent with RCW 66.24.800 (1)(d)(ii); and	
(4)(c)	Identifying maximum distance apart for openings into and out of the expanded outdoor alcohol service area. If a local jurisdiction does not specify maximum distances in their application, then openings cannot exceed 10 feet wide.	See RCW 66.24.800(1)(b)(iii). Also identifying what the default maximum distance apart openings may be if the local jurisdiction does not identify a maximum distance.
(5)	Local jurisdiction is responsible for updating the board on changes to their authorized area or areas designated for the expanded service.	Just as local jurisdictions are responsible for providing the information to the Board about the authorization, if that information changes, the local jurisdiction remains responsible to update the Board on those changes.
(6)(a)	All expanded outdoor alcohol service areas must be enclosed by one of the following:	See RCW 66.24.800(1)(b)(i)
(6)(a)(i)	A permanent or movable barrier, at a minimum height determined by the local jurisdiction (naturally sloped conditions approximating a barrier of the minimum height determined by the local jurisdiction or greater will satisfy this requirement). If a local jurisdiction does not specify a minimum height in their application, then a minimum barrier height of 42 inches applies; or	See RCW 66.24.800(1)(b)(i). Also identifying what the default required minimum barrier height is if the local jurisdiction does not identify an applicable minimum. The default minimum height mirrors that found in WAC 314-03-200(3)(c)(i).
(6)(a)(ii)	Permanent fence-free demarcation.	See RCW 66.24.800(1)(b)(i).
(6)(b)	Licensees must notify the board which boundary options identified in (a) of this subsection will be used.	Licensees are free to choose between the different barrier options but need to notify the Board of which option they are using.
(6)(c)	A permanent fence-free demarcation, as described in (a)(ii) of this subsection, must comply with the following:	See RCW 66.24.800(1)(b)(i).
(6)(c)(i)	At least six inches in diameter;	These requirements mirror other
(6)(c)(ii)	Placed no more than 10 feet apart; and	requirements for permanent fence-free demarcations found in WAC 314-03-200(3)(c)(ii).
(6)(c)(iii)	Visible at night.	This requirement is added to reflect the likelihood that patrons will be visiting these outdoor areas after sunset.
(7)	An employee of the licensee with a mandatory alcohol server training (MAST) permit under chapter 314-17 WAC must always be assigned to the expanded outdoor alcohol service area when patrons are present in order to monitor alcohol consumption, but is not required to be inside the alcohol service area at all times that patrons are present. Neither the inability of a licensee to adequately see an alcohol service area nor the failure of a licensee to adequately monitor an alcohol service area will be considered acceptable grounds for the mitigation of an administrative violation notice issued for any violation of the requirements in this section or other applicable sections of Title 314 WAC.	See RCW 66.24.800(1)(b)(v). The statute states that continuous physical presence of an employee in the alcohol service area is not required, nor is a direct line of sight from inside the licensed premises. However, licensees are still responsible for the activities that occur in the shared alcohol service area, and a licensee's decision not to have greater oversight of the alcohol service area will not be considered as valid grounds for mitigation of any administrative consequence that may flow from a regulatory violation.
(8)	A local jurisdiction approved for an expanded outdoor alcohol service authorization consistent with this rule must submit the results of a public engagement review consistent with WAC 314-03-	See RCW 66.24.820.

	214.	
(9)	The fee for a local jurisdiction to request the expanded outdoor alcohol service area shall be \$1,700 per application.	See Fee Discussion above.
(10)	The authorization described in this rule is effective until December 31, 2027.	See RCW 66.24.800(1)(a); RCW 66.24.800, Finding – Intent (3)(a).

WAC 314-03-211 – Civic campus authorization (RDS-6407.7)		
Section	Proposed Rule	Reason
(1)	Definitions:	Identifying terms to be used throughout the rule.
(1)(a)	"Alcohol service area" means an area in which liquor may be sold, served, and consumed as authorized under Title 66 RCW and rules of the board.	Same definition as in RCW 66.24.800(6)(a).
(1)(b)	"Campus operator" means the person who has primary responsibility for making managerial or executive decisions relating to operations and activities at a publicly owned civic campus or the person's designee.	Same definition as in RCW 66.24.800(6)(c).
(1)(c)	"Licensee" means one or more of the following, as licensed under Titles 66 RCW and 314 WAC:	
(1)(c)(i) (1)(c)(ii)	Beer and wine restaurant; Spirits, beer, and wine restaurant;	
(1)(c)(iii)	Tavern;	
(1)(c)(iv)	Domestic winery;	
(1)(c)(v)	Domestic brewery;	
(1)(c)(vi)	Microbrewery;	
(1)(c)(vii)	Distillery;	Same licensees identified in RCW
(1)(c)(viii)	Snack bar;	66.24.800(3).
(1)(c)(ix)	Special occasion licensees under RCW 66.24.380; or	
(1)(c)(x)	Caterer licensed under RCW 66.24.690. A caterer license may be issued to an applicant for this event if the sponsor of the event for which the catering services are being provided is not a society or organization as defined in RCW 66.24.375, if license and regulatory requirements are otherwise met.	
(1)(d)	"Publicly owned civic campus" or "civic campus" means the buildings, facilities, grounds, lands, and spaces owned by a city and designated as a city center, and used for civic, arts, cultural, sports, and other community and family events and activities, being not more than 100 acres in size on July 27, 2025.	Same definition as in RCW 66.24.800(6)(d).
(2)	The civic campus authorization described in this rule allows a city with a population of more than 220,000 to obtain approval from the board to expand alcohol service during events on a publicly owned civic campus in the city, subject to the requirements in this rule.	Describing the activity allowed by the authorization, consistent with RCW 66.24.800(2).
(2)(a)	A city may be authorized for no more than 25 events	See RCW 66.24.800(2)(a).

	per year.	
		See RCW 66.24.800(2)(a).
(2)(b)	Seven of these 25 events may be multiday events. A multiday event cannot exceed 14 days.	The Board is defining a multiday event as not exceeding 14 days after receiving stakeholder feedback and pursuant to broad rulemaking authority granted in RCW 66.08.030(22).
(3)	Multiple licensees located on a civic campus in a city that has been approved for the civic campus authorization may share an alcohol service area encompassing the entire civic campus, or part of the civic campus, subject to the following requirements:	See RCW 66.24.800(2)(b).
(3)(a)	The board approves of the perimeter enclosing the alcohol service area;	See RCW 66.24.800(2)(b)(i).
(3)(b)	Security and physical barriers are provided at all entry points to the event;	See RCW 66.24.800(2)(b)(ii).
(3)(c)	The campus operator notifies the board at least 60 days before the event begins;	See RCW 66.08.030(22); RCW 66.24.800(2)(b)(iii).
(3)(d)	Signage is conspicuously posted during the event notifying the public that the area is in use as an expanded alcohol service area and public notice of the upcoming use of the area as an expanded alcohol service area was conspicuously posted at least seven days in advance; and	See RCW 66.24.800(2)(b)(iv).
(3)(e)	All participating licensees submit a joint operating plan to the board for approval, consistent with the requirements in WAC 314-03-213.	See RCW 66.24.800(2)(b)(v).
(3)(f)	If businesses that do not engage in the sale or service of alcohol are located within the perimeter of the approved alcohol service area, licensees must also follow all requirements in WAC 314-03-215.	Business that do not engage in the sale or service of alcohol are inevitably going to be encompassed by a civic campus, and licensees need to comply with the requirements in WAC 314-03-215.
(4)	Multiple licensees located on a civic campus in a city that has been approved for the civic campus authorization may share an indoor alcohol service area at certain times authorized by the campus operator, subject to the following requirements:	See RCW 66.24.800(2)(d).
(4)(a)	The campus operator notifies the board at least 60 days before the date licensees intend to begin operating the shared indoor alcohol service area;	See RCW 66.24.800(2)(d)(i).
(4)(b)	The campus operator ensures security and physical barriers are provided at all entry points to the indoor alcohol service area; and	See RCW 66.24.800(2)(d)(ii).
(4)(c)	The licensees submit a joint operating plan to the board for approval, consistent with the requirements in WAC 314-03-213.	See RCW 66.24.800(2)(d)(iii).
(5)(a)	All participating licensees sharing an alcohol service area under subsection (3) or (4) of this section are jointly responsible for any violation or enforcement issues unless it can be demonstrated that the violation or enforcement issue was due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.	See RCW 66.24.800(2)(e).

(5)(b)	Participating licensees will be required to confirm their participation by attesting to joint responsibility.	Consistent with RCW 66.08.030(22) and 66.24.710(7), an attestation to joint responsibility is within the Board's rulemaking authority and is reasonable considering the newly permitted activities. Joint responsibility of participating licensees is already required by statute and rule.
(6)	While a licensee is operating under the civic campus authorization identified in this rule, they may engage in the following:	See RCW 66.24.800(2)(f).
(6)(a)	Operate without a permit from their local jurisdiction that may otherwise be required to allow the business to use the public space as an alcohol service area;	See RCW 66.24.800(2)(f)(i).
(6)(b)	Share an alcohol service area with another licensee:	
(6)(b)(i)	Without individually requesting approval from the board; and	See RCW 66.24.800(2)(f)(ii).
(6)(b)(ii)	Regardless of whether the licensees' property parcels or buildings are in direct physical proximity to one another; and	000 11000 00:2 1:000(2)(1)(11).
(6)(c)	Sell and serve alcohol to customers from an alcohol service area without offering food service menu options, except that any required food service must still be provided within the licensed premises, and in any preexisting alcohol service area operated by the licensee under Title 314 WAC that does not rely on RCW 66.24.800, if the preexisting alcohol service areas remains in place during an event.	See RCW 66.24.800(2)(f)(iii).
(7)(a)	At the board's discretion, failure to provide the board notice as required in subsection (3)(c) of this section or failure to post signage as required in subsection (3)(d) of this section may be cause for denial of approval of events conducted under this rule.	See RCW 66.24.800(2)(c).
(7)(b)	At the board's discretion, failure to post signage as required in subsection (3)(d) of this section can be cause for denial of license of the participating licensees or denial of participation in future events under this rule.	222.13.1 33.2 11333(E)(G).
(8)	A city approved for a civic campus authorization consistent with this rule must submit a report to the legislature and the board by January 1, 2027, consistent with RCW 66.24.810.	See RCW 66.24.820.
(9)	The fee for a qualifying city to request the civic campus authorization described in this rule is \$1,500 per application.	See Fee Discussion above.
(10)	The authorization described in this rule is effective until December 31, 2027.	See RCW 66.24.800, Finding – Intent (3)(b).

WAC 314-03-212 – Fan zone authorization (RDS-6410.6)		
Section Proposed Rule		Reason
(1)	Definitions:	Identifying terms to be used throughout the rule.

	"Alcohol service area" means an area in which	
(1)(a)	liquor may be sold, served, and consumed as	Same definition as in RCW
(1)(4)	authorized under Title 66 RCW and rules of the	66.24.800(6)(a).
	board.	
	"Fan zone" means a city, town, county, or port	
	authority that has been designated as a fan zone or	
(1)(b)	host city from an international self-regulatory	Same definition as in RCW 66.24.800
	governing body of a sports association, or a	
	nonprofit organization authorized by such an entity.	
(4)(.)	"Licensee" means one or more of the following, as	
(1)(c)	licensed under Titles 66 RCW and 314 WAC:	
(1)(c)(i)	Beer and wine restaurant;	
(1)(c)(ii)	Spirits, beer, and wine restaurant;	
(1)(c)(iii)	Tavern;	
(1)(c)(iv)	Domestic winery;	-
(1)(c)(v)	Domestic brewery;	
(1)(c)(vi)	Microbrewery;	-
(1)(c)(vii)	Distillery;	Same licensees identified in RCW
(1)(c)(viii)	Snack bar;	66.24.800(3).
(1)(c)(ix)	Special occasion licensees under RCW 66.24.380;	
(1)(0)(1)(1)	or	
	Caterer licensed under RCW 66.24.690. A caterer	
	license may be issued to an applicant for this event	
	if the sponsor of the event for which the catering	
(1)(c)(x)	services are being provided is not a society or	
	organization as defined in RCW 66.24.375, if	
	license and regulatory requirements are otherwise	
	met.	
	The fan zone authorization described in this section	
	allows a fan zone to obtain approval from the board	
(2)(a)	for expanded outdoor and indoor alcohol service for	
	liquor licensees within an area or areas of the	Describing the activity allowed by the
	jurisdiction.	authorization, consistent with RCW
	The fan zone authorization may be used to allow	66.24.800(4).
(0)//-)	expanded alcohol sales and service only during a	
(2)(b)	single multiday event in each fan zone in either the	
	month of June or July 2026.	
	Multiple licensees located within an area of a fan	
	zone approved under this rule for expanded alcohol	
(5)	service may share an alcohol service area	0 5044000400405
(3)	encompassing the entire approved area or areas,	See RCW 66.24.800(4)(b).
	during the event, subject to the following	
	requirements:	
	The board approves of the perimeter enclosing the	
(3)(a)	alcohol service area;	See RCW 66.24.800(4)(b)(i).
	Security and physical barriers are provided at all	
(3)(b)	entry points to the event;	See RCW 66.24.800(4)(b)(ii).
	The applicable fan zone, through a designated	
(3)(0)	official or primary licensee, notifies the board at	See RCW 66.08.030(22); RCW
(3)(c)		66.24.800(4)(b)(iii).
	least 60 days before the event begins;	
(3)(4)	Signage is conspicuously posted during the event	
	notifying the public that the area is in use as an	Soo BCW 66 24 900/4\/b\/iv\
(3)(d)	expanded alcohol service area and public notice of	See RCW 66.24.800(4)(b)(iv).
	the upcoming use of the area as an expanded	
	alcohol service area was conspicuously posted at	

	least seven days in advance; and	
(3)(e)	All participating licensees submit a joint operating plan to the board for approval, consistent with the requirements in WAC 314-03-213. A designated contact or primary licensee may submit the joint operating plan and site map clearly identifying alcohol service areas on behalf of all participating licensees.	See RCW 66.24.800(4)(b)(v).
(4)(a)	Licensees may share use of an expanded alcohol service area under this rule with businesses that do not engage in the sale or service of alcohol, subject to the requirements in WAC 314-03-215.	See RCW 66.24.800(4)(c).
(4)(b)	All participating licensees are jointly responsible for any violation or enforcement issues unless it can be demonstrated that the violation or enforcement issues were due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.	See RCW 66.24.800(4)(c).
(4)(c)	Participating licensees will be required to confirm their participation by attesting to joint responsibility.	Consistent with RCW 66.08.030(22) and 66.24.710(7), an attestation to joint responsibility is within the Board's rulemaking authority and is reasonable considering the newly permitted activities. Joint responsibility of participating licensees is already required by statute and rule.
(5)	While a licensee is operating under the fan zone authorization identified in this rule, they may engage in the following:	See RCW 66.24.800(2)(f), (4)(d).
(5)(a)	Operate without a permit from their local jurisdiction that may otherwise be required to allow the business to use the public space as an alcohol service area;	See RCW 66.24.800(2)(f)(i), (4)(d).
(5)(b)	Share an alcohol service area with another licensee:	
(5)(b)(i)	Without individually requesting approval from the board; and	See RCW 66.24.800(2)(f)(ii), (4)(d).
(5)(b)(ii)	Regardless of whether the licensees' property parcels or buildings are in direct physical proximity to one another; and	
(5)(c)	Sell and serve alcohol to customers from an alcohol service area without offering food service menu options, except that any required food service must still be provided within the licensed premises, and in any preexisting alcohol service area operated by the licensee under Title 314 WAC that does not rely on RCW 66.24.800, if the preexisting alcohol service areas remains in place during an event.	See RCW 66.24.800(2)(f)(iii), (4)(d).
(6)	A fan zone approved for a fan zone authorization consistent with this rule must submit the results of a public engagement review consistent with WAC 314-03-214.	See RCW 66.24.820.
(7)	The fee for a local jurisdiction to request approval for a fan zone authorization is \$3,900 per authorization.	See Fee Determination Discussion above.

(0)	The authorization described in this rule is effective	See RCW 66.24.800, Finding – Intent
(8)	until August 1, 2026.	(3)(c); (4)(a).

WAC 314-03-213 – Joint operating plan (RDS-6404.7)		
Section	Proposed Rule	Reason
(1)	Definition: "Alcohol service area" means an area in which liquor may be sold, served, and consumed as authorized under Title 66 RCW and rules of the board.	Identifying term to be used throughout the rule.
(2)(a)	Consistent with WAC 314-03-211, civic campus authorization, a joint operating plan must be submitted to the board by all participating licensees. The joint operating plan must contain all the elements required in this rule. A campus operator, designated contact, or primary licensee may submit the joint operating plan and site map clearly identifying alcohol service areas on the behalf of all participating licensees.	See RCW 66.08.030(22); 66.24.800(2)(b)(v). The Board is allowing for one licensee to be a main point of contact for communication with the Board on behalf of the participating licenses to streamline the application process.
(2)(b)	Consistent with WAC 314-03-212, fan zone authorization, a joint operating plan must be submitted to the board by all participating licensees. The joint operating plan must contain all the elements required in this rule. A designated contact or primary licensee may submit the joint operating plan and site map clearly identifying alcohol service areas on the behalf of all participating licensees.	See RCW 66.08.030(22); 66.24.800(4)(b)(v). The Board is allowing for one licensee to be a main point of contact for communication with the Board on behalf of the participating licenses to streamline the application process.
(3)	The joint operating plan must be submitted in the following format:	See RCW 66.24.800(2)(b)(v).
(3)(a)	Electronically; and	
(3)(b)	At least 60 days in advance of the event.	60 days provides the Board enough time to review the submission materials and respond to any omissions or issues that need further clarification.
(4)	Consistent with RCW 66.24.800 (2)(b)(v), the joint operating plan must contain the following:	
(4)(a)	How the licensees will prevent the sale and service of alcohol to persons under 21 years of age;	See RCW 66.24.800(2)(b)(v)(A).
(4)(b)	How the licensees will prevent the sale and service of alcohol to persons who appear to be intoxicated;	
(4)(c)	The ratio of alcohol service staff to the anticipated number of attendees;	See RCW 66.24.800(2)(b)(v)(B).
(4)(d)	The ratio of security staff to the anticipated number of attendees;	066 NOVV 00.24.000(2)(D)(V)(D).
(4)(e)	Training provided to staff who serve, regulate, or supervise the service of alcohol including that MAST training, consistent with chapter 314-17 WAC, is required for all such staff;	See RCW 66.24.800(2)(b)(v)(C).
(4)(f)	The licensees' policy on the number of alcoholic beverages that will be served to an individual patron per transaction not to exceed a maximum of two alcoholic beverages allowed to be sold or served to an individual patron during one transaction;	See RCW 66.24.800(2)(b)(v)(D). The Board is proposing the same transaction limit allowed at sports entertainment facilities per WAC 314-02-

		058(1)(d)(iv).
(4)(g)	Explanation of the alcoholic beverage containers that will be used to ensure they are significantly different from containers used for nonalcoholic beverages;	See RCW 66.24.800(2)(b)(v)(E).
(4)(h)	Barriers or demarcations to be used for an alcohol service area or event perimeter;	See RCW 66.24.800(2)(b)(v)(F).
(4)(i)	Explanation of how licensees will prevent the removal of alcohol in an open container from the alcohol service area or event perimeter, consistent with WAC 314-11-065; and	See RCW 66.24.800(2)(b)(v)(G). Language is like that in WAC 314-03- 200(4)(f). While liquor may be consumed within the alcohol service area, liquor is not supposed to leave the alcohol service area, and the Board wants to know what steps will be taken to prevent this from occurring.
(4)(j)	How licensees will maintain separate storage of products and separate financial records. If licensees share any point of sale system, they must show how they will independently maintain complete documentation and records for the shared point of sale system showing clear separation as to what sales items and categories belong to each respective licensee.	See RCW 66.24.800(2)(b)(v)(G). Language is like that in WAC 314-03-200(4)(c).
(5)	The joint operating plan must also include a map of the alcohol service area. At a minimum, the map shall include a north arrow indicator and identify the following:	See RCW 66.24.800(2)(b)(v)(G). Analogous to floor plan requirements for theater licenses, nightclub licenses, and
(5)(a)	Locations where alcohol will be sold or served;	spirits retail licenses, a map indicating
(5)(b)	Barriers or permanent fence-free demarcations;	where the alcohol service area is, where it
(5)(c)	Any sloped areas, if applicable;	starts and stops, where alcohol will be
(5)(d)	Entrances and exits; and	sold and served, where the barriers will
(5)(e)	Public streets adjacent to the alcohol service area.	be placed, entrances and exits, and how the alcohol service area will be placed in relation to public streets, is all important information that will help inform the Board's understanding of the licensees' plans.

WAC 314-03-215 – Licensee sharing alcohol service area with nonlicensee (RDS-6411.6)				
Section	Proposed Rule	Reason		
(1)	Definitions:			
(1)(a)	"Alcohol service area" means an area in which liquor may be sold, served, and consumed as authorized under Title 66 RCW and rules of the board.	Identifying terms to be used throughout the rule.		
(1)(b)	"Nonlicensee" means a business does not have an active license or permit issued by the board.			
(2)(a)	Pursuant to RCW 66.24.800, certain liquor licensees may share use of an alcohol service area with businesses that do not engage in the sale or service of alcohol, subject to the requirements in this rule, and Titles 66 RCW and 314 WAC.	See RCW 66.24.800(1)(b)(iv), (4)(c). This language clarifies that sharing space with businesses not engaged in the sale or service of alcohol is not permitted by		
(2)(b)	Only licensees authorized for expanded alcohol service consistent with WAC 314-03-210, 314-03-	other licensees and only allowed within the specific statutory framework		

	211, or 314-03-212 may share the expanded alcohol service area with a nonlicensee.	established by 2SHB 1515, chapter 361, Laws of 2025.	
(3)	A primary contact or licensee must notify the board of the following prior to sharing an alcohol service area with a nonlicensee:	Like the rules above, a primary licensee is permitted to be point of contact for licensing application purposes.	
(3)(a)	A floor plan of the shared alcohol service area, identifying where the licensee and nonlicensees are;	Analogous to the map required for the joint operating plan, and floor plans required of other license types.	
(3)(b)	How alcoholic beverages served by the licensee will be kept in unique beverage containers; and	Analogous to language in RCW 66.24.800(2)(b)(v)(E).	
(3)(c)	Where licensee liquor will be stored and how access to that liquor will be exclusive to licensees and their employees.	Analogous to language in WAC 314-03-200(4)(c).	
(4)	All participating licensees are jointly responsible for any violation or enforcement issues, unless it can be demonstrated that the violation or enforcement issues were due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.	Like joint responsibility language in RCW 66.24.800(4)(c).	
(5)	This section expires on December 31, 2027.	See RCW 66.24.800.	

Attachments:

A: June 7, 2025 Email from Seattle Department of Transportation

B: PS 25-01

 From:
 Nelson, Alyse

 To:
 LCB DL Rules

 Cc:
 Miller, Joel

Subject: Public Comment on CR-101 – WSR 25-10-103

Date: Saturday, June 7, 2025 6:42:42 AM

Attachments: <u>image001.png</u>

External Email

Dear Members of the Liquor and Cannabis Board,

On behalf of the Seattle Department of Transportation, we appreciate the opportunity to provide comments on the preproposal statement of inquiry identified as WSR 25-10-103.

We are excited about the direction of this rulemaking effort and are pleased to see that feedback from our previous conversations has been incorporated into HB 1515. This responsiveness strengthens our shared commitment to effective, inclusive, and community-informed policymaking.

Now during the rule development process, we wanted to highlight the following key priorities for SDOT:

- Enclosure by either fence or demarcation
- Flexibility for height when a barrier is used on sloped sites
- Openings determined by local jurisdiction
- Sharing of space between businesses with and without liquor licenses authorized

We are eager to remain engaged throughout the development of this rule. We are committed to partnering with the Board to support the implementation process in a way that aligns with local needs and ensures clarity and effectiveness in practice.

We look forward to continuing this collaboration and contributing constructively as the rule progresses through development.

Sincerely, Alyse Nelson

Alyse Nelson, AICP

Street Use Division Director

City of Seattle, <u>Department of Transportation</u>

M: 206-423-6330 | <u>alyse.nelson@seattle.gov</u>

Blog | <u>Facebook</u> | <u>Twitter</u> | <u>Instagram</u> | <u>YouTube</u> | <u>Flickr</u> | <u>Customer Service</u>

She/her/hers

Title: Legislative Implementation 2SHB 1515, Fees and Application Information

(PS25-01)

Effective Date: 8/27/2025

Contact Information: Kalynn Gubbe, LCB

Phone: 360-664-1728

Email: ExpandedAlcoholService@lcb.wa.gov

Brief Summary: This policy statement provides guidance to entities applying for an Expanded Alcohol Service authorization pursuant to Second Substitute House Bill 1515, Chapter 361, Laws of 2025, during the interim between the law's effective date on July 27, 2025 and the adoption of rules by the Liquor and Cannabis Board, anticipated to occur by late 2025 or early 2026.

Access the document at https://lcb.wa.gov/laws/current-rulemaking-activity.

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED

DATE: August 13, 2025

TIME: 4:22 PM

WSR 25-17-040

Policy Statement

Title: Legislative implementation 2SHB 1515 Number: PS25-01

Fees and application information

References: Chapter 361, laws of 2025

RCW 66.08.030 RCW 66.24.380 RCW 66.24.690 RCW 66.24.710 RCW 66.44.100

Contact: Kalynn Gubbe, LCB
Phone: 360-664-1728

Email: ExpandedAlcoholServices@lcb.wa.gov

Effective Date: August 27, 2025

Approved By: Justin Nordhorn, Director Policy and External Affairs, LCB

RCW 34.05.230 – Interpretive and policy statements

(1) An agency is encouraged to advise the public of its current opinions, approaches, and likely courses of action by means of interpretive or policy statements. Current interpretive and policy statements are advisory only. To better inform the public, an agency is encouraged to convert long-standing interpretive and policy statements into rules.

INTRODUCTION

Second Substitute House Bill 1515 (2SHB 1515) was passed by the Washington State Legislature during the 2025 session. This bill expands outdoor and extended indoor alcohol service in public spaces, to include civic campus authorizations for shared space, and fan zones for the 2026 FIFA World Cup. The new law requires the Liquor and Cannabis Board (LCB) to set fees for license and local authority applications.

The law went into effect July 27, 2025. Rulemaking for legislative implementation has begun but will not be completed until several months after the effective date of the law. This policy statement is to ensure applications for activities identified in Chapter 361, laws of 2025, can be submitted concurrently with rulemaking development.

This policy statement is intended to cover portions of the legislative implementation which will be happening during the rulemaking process.

BACKGROUND

Prior to the passage of 2SHB 1515, generally liquor licensees could only serve liquor at their licensed location. Separation of the licensed alcohol sales, service, and consumption space from non-licensed public spaces typically required 42-inch-high barriers or ground demarcations to ensure alcohol consumption only occurs on the licensed premises. Demarcation options do not apply to beer gardens, standing room only venues, and permitted special events. Openings into and out of the alcohol service area may not exceed 10 feet and, if there is more than one opening along one side, the total combined opening may not exceed 10 feet. An alcohol service area must have an attendant, waitstaff, or server dedicated to the area when patrons are present. State laws prohibit opening or consuming alcohol in a public place, and regulations prevent allowing alcohol to be removed from licensed premises where beverages are intended for on-premises consumption. Except under some limited approved circumstances, liquor licensees may not share alcohol service space with other liquor licensed locations.

2SHB 1515 modified several provisions and restrictions for several license types and event locations. The following background includes excerpts from the <u>final bill report</u>. Statutory changes under Chapter 361, laws of 2025, include:

Expanded Outdoor Alcohol Service in Public Spaces

Through December 31, 2027, a city, town, county, or port authority may request, and the LCB may approve, expanded outdoor alcohol service for liquor licensees within the whole jurisdiction or within a specific area or areas of the jurisdiction. If requested by a county, the approval may only be for unincorporated areas of the county.

For authorized licensees who have requested approval from, and been authorized by, the LCB's licensing division to conduct outdoor alcohol service, and who are located within an area of a city, town, county, or port authority that has been approved by the LCB for expanded outdoor alcohol service, the following authorizations and requirements apply:

- All outdoor alcohol service areas may be enclosed, at the licensee's discretion, by means of a permanent or movable barrier or by means of a permanent fence-free demarcation.
- For an outdoor alcohol service area enclosed by means of a permanent or movable barrier of a minimum height specified by the LCB, the permanent or movable barrier is not required to meet minimum height requirements on sloped site conditions.
- The openings into and out of an outdoor alcohol service area may be up to a maximum distance apart as determined appropriate by the applicable local jurisdiction.

- Licensees may share use of an outdoor alcohol service area with other licensees, and licensees may share use of an outdoor alcohol service area with businesses that do not engage in the sale or service of alcohol, subject to requirements.
- An employee of the licensee must be assigned to, but is not required to be in, the outdoor alcohol service area at all times patrons are present.
- A direct line of sight is not required from inside the licensed premises to the outdoor alcohol service area.

The authorization is available to the following liquor licensees: beer and wine restaurants; spirits, beer, and wine restaurants; taverns; domestic wineries; domestic breweries and microbreweries; distilleries; and snack bars.

A city, town, county, or port authority that requests and is approved for this type of expanded outdoor alcohol service must provide, and document the provision of:

- Adequate local resources, including law enforcement patrols in the area to ensure safe operations of activities and the safety of the community; and
- Services to keep the area of the jurisdiction in which the activities occur clean and free
 of litter or other remnants of the use of public spaces for expanded outdoor alcohol
 service.

Events on a Publicly Owned Civic Campus in Qualifying Cities

A city with a population of more than 220,000 may request, and the LCB may approve, expanded alcohol service during events on a publicly owned civic campus in the city, subject to requirements. No more than 25 events per year, up to seven of which may be multiday events, may be authorized for each individual local government jurisdiction.

Expanded Alcohol Service Areas

Multiple licensees located on the publicly owned civic campus may share an alcohol service area encompassing the entire publicly owned civic campus or part of the publicly owned civic campus, as long as:

- The LCB approves of the event perimeter enclosing the alcohol service area;
- Security and physical barriers are provided at all entry points to the event; the campus operator notifies the LCB within the minimum time required by the LCB before the event begins;
- Signage is conspicuously posted during the event notifying the public that the area is in
 use as an expanded alcohol service area and public notice of the upcoming use of the
 area as an expanded alcohol service area was conspicuously posted at least seven days
 in advance of the event; and
- All participating licensees submit a joint operating plan to the LCB for approval.

At the LCB's discretion, violations of the notice requirements can be cause for denial of approval of events, and violations of the signage requirements can also be cause for denial of a license of the participating licensees or denial of participation in future events.

Shared Indoor Alcohol Service Area

Multiple licensees located on a publicly owned civic campus that has been approved by LCB may share an indoor alcohol service area at certain times authorized by the campus operator, as long as:

- The campus operator notifies the LCB at least seven days in advance of the date licensees intend to begin operating the shared indoor alcohol service area;
- The campus operator ensures security and physical barriers are provided at all entry points to the indoor alcohol service area; and
- The licensees submit a joint operating plan to the LCB for approval.

If multiple licensees share an alcohol service area, all participating licensees are jointly responsible for any violation or enforcement issues unless it can be demonstrated that the violation or enforcement issue was due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.

During the times a licensee is operating at an event, the licensee may:

- Operate without a permit from their local jurisdiction that may otherwise be required to allow the business to use the public space as an alcohol service area;
- Share an alcohol service area with another licensee without individually requesting approval from the LCB's licensing division, regardless of whether the licensees' property parcels or buildings are located in direct physical proximity to one another; and
- Sell and serve alcohol to customers from an alcohol service area without offering food service menu options, except that any required food service must still be provided within the licensed premises, and in any preexisting alcohol service area operated by the licensee under the LCB's rules that does not rely on the new authorization, if the preexisting alcohol service area remains in place during an event.

The authorization is available to: beer and wine restaurants; spirits, beer, and wine restaurants; taverns; domestic wineries; domestic breweries and microbreweries; distilleries; snack bars; and special occasion licensees. For special occasion licensees participating in the events, participation is not counted toward the licensees' limit of 12 calendar days per year and the LCB may establish an additional daily fee for participation in the authorized events pursuant to chapter 361, Laws of 2025.

The authorization is also available to a caterer's license for an eligible applicant for an event open to the public and held on a publicly owned civic campus in a city with a population of more than 220,000, even if the sponsor of the event for which catering services are being provided is not a society or organization as defined in RCW 66.24.375, if license and regulatory requirements are otherwise met.

Single Multiday Event in Certain Jurisdictions

A city, town, county, or port authority that has been designated as a fan zone or host city from an international self-regulatory governing body of a sports association, or a nonprofit organization authorized by such an entity, may request, and the LCB may approve, expanded outdoor and indoor alcohol service for liquor licensees within an area or areas of the jurisdiction. The authorization may be used to allow expanded alcohol sales and service only during one single multiday event in each approved jurisdiction in either the months of June or July of 2026.

The activity of expanded outdoor and indoor alcohol service may be conducted by the same licensees and under the same authorizations and requirements as for events on a publicly owned civic campus in a city with a population of more than 220,000.

The local jurisdiction through a designated official must provide notice of the event to the LCB. All event locations will require security and physical barriers at all entry points to the event.

Liquor and Cannabis Board Rules and Fees

The LCB must adopt or revise rules to allow for outdoor service of alcohol by certain licensees to be consistent with the new authorizations. The LCB's rule-making authority is extended to include imposing reasonable requirements on licensees' operations of alcohol service areas and the sale, service, and consumption of alcohol.

The LCB must impose a fee on licensees seeking to operate under the authorization for expanded alcohol service, or local governments applying for the authorization, to cover but not exceed the LCB's administrative and enforcement costs.

Opening or Consuming Liquor in Public

An exclusion to the prohibition on opening a package containing liquor or consuming liquor in a public place is added for the new authorized activities.

The act expires December 31, 2027.

STATUTORY AUTHORITY

RCW 66.08.030(22) provides the LCB the authority to adopt rules to impose reasonable requirements on licensees' operations of alcohol service areas and the sale, service, and consumption of alcohol, consistent with RCW 66.24.710 and section 2 of Chapter 361, laws of 2025.

RCW 66.24.710 provides an allowance for the LCB to adopt requirements providing for clear accountability at locations where multiple licensees use a shared space for serving customers, and at locations where a licensee or licensees use a shared space with another business or businesses that do not engage in the sale or service of alcohol under section 2 of Chapter 361, laws of 2025.

RCW 69.24.380 provides the LCB may establish an additional daily fee for special occasion licenses for each day of operation at an event conducted under section 2 (2) or (4) of the act.

Section 2 of Chapter 361, Laws of 2025,(5) establishes the board must impose a fee on any or all licensees and local governments in order to cover but not exceed the board's administrative and enforcement costs related to activities authorized under this section:

- (a) A licensee seeking to operate under the authorization in this section, as a condition to exercising privileges in this section;
- (b) A city, town, county, or port authority applying for expanded outdoor alcohol service privileges for licensees under subsection (1) of this section;
- (c) A city with a population of more than 220,000 applying for expanded alcohol service privileges for licensees during events on a publicly owned civic campus under subsection (2) of this section;

POLICY STATEMENT

To cover but not exceed LCB's administrative and enforcement costs related to activities authorized under section 2 of Chapter 361, laws of 2025, the licensing division of the LCB will set fees for applications and events. The following fees have been projected by the Board:

Local Government (requests for expanded alcohol outdoor service areas)				
\$1,700.00	per approved authorization			
2SHB 1515 Special Occasion Licenses				
\$185.00	per day			
Civic Campus Events				
\$1,500.00	per event			
Fan Zones				
\$3,900.00	per event			

All fees should be submitted at the time of application for the authorization request to be processed.

Prior to completion of rules to implement 2SHB 1515, the LCB will request the following information in applications for activities authorized under section 2 of Chapter 361, laws of 2025:

Local Government

- All applications for expanded outdoor service areas by the appropriate local government should specify a plan of operations describing adequate local resources, including law enforcement patrols in the area to ensure safe operations of activities and the safety of the community; and
- All applications for expanded outdoor service areas by the appropriate local government should include a description of services the local government will use to keep the area of the jurisdiction in which the activities occur clean and free of litter or other remnants of the use of public spaces for expanded outdoor alcohol service.
- All requests must be submitted through the LCB online Portal to be processed.

Liquor Licensee

- All outdoor alcohol service areas must use either barriers or demarcations to indicate the space licensed for alcohol consumption.
- All outdoor alcohol service areas must have an employee assigned to the area.
- Licensees will be responsible for compliance with youth access and overservice laws and rules even if an assigned employee is not present in the alcohol service area at all times.
- Only participating licensees listed in the application, by trade name and license number, will be eligible to participate in activities authorized under section 2 of Chapter 361, laws of 2025.

Special Occasion Licenses for Civic Campus Events

Pursuant to RCW 66.24.380(1): Special occasion licensees may have no more than 12 days of events per calendar year.

Chapter 361, Laws of 2025, created an exception to the limit of 12 calendar days pursuant to RCW 66.24.380. Events conducted under Chapter 361, Laws of 2025 will not count towards the general 12 calendar-day limit.

Events conducted under Chapter 361, Laws of 2025:

- Will not count towards the 12 calendar-day limitation in RCW 66.24.380.
- Prohibit sales of wine by the bottle or in original, unopened containers for on-premises consumption.
- Waives the restriction for sale, service, and consumption to be in confined to specified premises only, when events are conducted as authorized in section 2 (2) and (4) of the act.

There will be an additional daily fee established by the licensing division of the LCB per day, and per event, for events included in chapter 361, Laws of 2025.

Publicly Owned Civic Campus

Cities with a population of more than 220,000 may get approval from the LCB to expand alcohol service during events on a publicly owned civic campus in the city, subject to the following requirements:

- A city may be authorized for no more than 25 events per year.
- Seven of the 25 events may be multiday events.
- Multiday events may be approved consecutively.

Multiple licensees located on a publicly owned civic campus in a city that has been approved for the civic campus authorization may share an alcohol service area encompassing the entire civic campus, or part of the civic campus, subject to the following requirements:

- The LCB approves of the perimeter enclosing the alcohol service area;
- Security and physical barriers are provided at all entry points to the event;
- The campus operator notifies the LCB at least 60 days before the event begins;
- Signage providing notice to the public that the civic campus will be used for expanded alcohol service is posted at least seven days prior to an event.
- During an event, signage must be conspicuously posted notifying the public that the area is in use as an expanded alcohol service area.

All participating licensees sharing an alcohol service area are jointly responsible for any violation or enforcement issues unless it can be demonstrated that the violation or enforcement issue was due to one or more licensee's specific conduct or action, in which case the violation or enforcement applies only to those identified licensees.

While a licensee is operating under the publicly owned civic campus authorization, they may engage in the following:

- Operate without a permit from their local jurisdiction that may otherwise be required to allow the business to use the public space as an alcohol service area;
- Share an alcohol service area with another licensee:
 - Without individually requesting approval from the LCB; and
 - Regardless of whether the licensees' property parcels or buildings are in direct physical proximity to one another; and
- Sell and serve alcohol to customers from an alcohol service area without offering food service menu options, except that any required food service must still be provided

within the licensed premises, and in any preexisting alcohol service area operated by the licensee under Title 314 WAC that does not rely on chapter 361, Laws of 2025, if the preexisting alcohol service areas remains in place during an event.