



# Washington State Liquor and Cannabis Board

**Date:** May 6, 2026

**To:** Jim Vollendroff, Board Chair  
Ollie Garrett, Board Member  
Pete Holmes, Board Member

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

**Copy:** Will Lukela, Agency Director  
Toni Hood, Agency Deputy Director  
Lawrence Grant, Director of Enforcement and Education  
Becky Smith, Licensing Director  
Justin Nordhorn, Policy and External Affairs Director  
Kevin Walder, Policy & Rules Manager

**Subject: Request for approval of final rules (CR 103) regarding contract kitchen options for domestic breweries and microbreweries**

The Policy and Rules Coordinator requests that the Board adopt the final rules and approve the CR 103 to amend rules regarding contract kitchen options for domestic breweries and microbreweries that obtain and maintain a beer and/or wine restaurant license or a spirits, beer, and wine restaurant license.

The Board has been briefed on the rule development background for this rule making project. There was one public comment received on the CR 102. A CR 103 memorandum, CR 103 form, Concise Explanatory Statement, and rule text are attached.

If approved, the Policy and Rules Coordinator will file the rules with the Office of the Code Reviser. The effective date of the rules will be 31 days after filing, or June 6, 2026.

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove      \_\_\_\_\_  
Jim Vollendroff, Chair      \_\_\_\_\_  
Date

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove      \_\_\_\_\_  
Ollie Garrett, Board Member      \_\_\_\_\_  
Date

\_\_\_\_\_ Approve      \_\_\_\_\_ Disapprove      \_\_\_\_\_  
Pete Holmes, Board Member      \_\_\_\_\_  
Date

Attachments: CR 103 Memorandum  
Concise Explanatory Statement



# Washington State Liquor and Cannabis Board

## CR 103 Memorandum

### Regarding contract kitchen options for domestic breweries and microbreweries

Date: May 6, 2026  
Presented by: Jeff Kildahl, Policy and Rules Coordinator

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#### Background

The Washington State Legislature passed Engrossed House Bill 1602 (Chapter 141, Laws of 2025) on April 14, 2025. This Bill, which went into effect on July 27, 2025, allows for domestic breweries or microbreweries to subcontract with one or more individuals or entities, including mobile food trucks, to satisfy the food service options necessary to obtain and maintain a beer and/or wine restaurant license or a spirits, beer, and wine restaurant license.

The LCB filed a CR 101 on September 3, 2025 as WSR 25-19-002 to begin rulemaking to implement EHB 1602, and filed a CR 102 as WSR 26-06-093 on March 4, 2026.

#### Rule Necessity

These rule amendments are required to implement EHB 1602 to allow for expanded restaurant options for domestic breweries and microbreweries.

#### Description of Rule Changes

Amendments to rules in WAC 314-02-015 regarding spirits, beer, and wine restaurants include the following changes in rule language:

- Allowing that a domestic brewery or microbrewery may contract, lease, or sublease the domestic brewery or microbrewery to qualify and maintain a spirits, beer, and wine restaurant license by contracting one or more individuals or entities to satisfy the food service requirements for spirits, beer, and wine restaurants. Leasing and subleasing includes the use of a domestic brewery or microbrewery's licensed premises for the preparation and service of food by a person or entity that does not hold a liquor license.
- Allowing contracted use includes the use of a mobile food unit, as defined in RCW 43.20.025, by a person or entity who sells food and nonalcoholic beverages to the public and does not hold a retail liquor license.
- Allowing a domestic brewery or microbrewery to own and operate a mobile food unit to meet their spirits, beer, and wine restaurant food service requirements,

although contracted food service staff are not permitted to serve the alcohol of the licensee.

- Setting requirements for the domestic brewery or microbrewery leasing or subleasing space on the licensed premises to maintain storage space for nontax-paid alcohol that is substantially separated from areas of the premises that are regularly accessed by the owner or staff of a mobile food unit or the owner or staff of an independently operated food service provider.
- Setting requirements for a domestic brewery or microbrewery contracting or leasing space on its licensed premises to include the following information in the contract or lease:
  - A diagram of the kitchen plan detailing the space controlled by the contractor providing food service for the domestic brewery or microbrewery;
  - A notification that the liquor licensed premises, including all space contracted for food service, is subject to inspection by the LCB;
  - The terms to ensure compliance with the establishment's required hours and days of operation, full meal service requirements, minimum food service requirements, and the contractor's mandate in RCW 66.24.240 to hold necessary kitchen and food service permits from the applicable local jurisdiction; and
  - Any changes to the domestic brewery or microbrewery's contract or lease, vendor, or kitchen plan must be submitted to the LCB.
- The domestic brewery or microbrewery must ensure that all applicable food service requirements are satisfied at all times that they are open for business. Extenuating circumstances, such as the unexpected absence of one or more contractors or a contractor's equipment failure, will not absolve a spirits, beer, and wine licensee of these requirements. A spirits, beer, and wine restaurant licensee cannot choose to stop operating under their restaurant license and only serve beer (without food options that satisfy requirements in WAC 314-02-035) under a brewery license during any portion of their spirits, beer, and wine restaurant operating hours.

Updates to rules in WAC 314-02-035 regarding spirits, beer, and wine restaurants include the following change:

- Allowing a domestic brewery or microbrewery to contract with one or more individuals or entities to satisfy the food service requirements when qualifying for and maintaining a spirits, beer, and wine restaurant license.

Amendments to rules in WAC 314-02-045 regarding beer and/or wine restaurants include the following changes:

- Allowing that a domestic brewery or microbrewery may contract, lease, or sublease the domestic brewery or microbrewery to qualify and maintain a beer and/or wine restaurant license by contracting one or more individuals or entities to satisfy the food service requirements for beer and/or wine restaurants. Leasing and subleasing includes the use of a domestic brewery or microbrewery's licensed premises for the preparation and service of food by a person or entity that does not hold a liquor license.
- Allowing that contracted use includes the use of a mobile food unit, as defined in RCW 43.20.025, by a person or entity who sells food and nonalcoholic beverages to the public and does not hold a retail liquor license.
- Allowing a domestic brewery or microbrewery to own and operate a mobile food unit to meet their beer and/or wine restaurant food service requirements, although contracted food service staff are not permitted to serve the alcohol of the licensee.
- Setting requirements for the domestic brewery or microbrewery leasing or subleasing space on the licensed premises to maintain storage space for nontax-paid alcohol that is substantially separated from areas of the premises that are regularly accessed by the owner or staff of a mobile food unit or the owner or staff of an independently operated food service provider.
- Setting requirements for a domestic brewery or microbrewery contracting or leasing space on its licensed premises to include the following information in the contract or lease:
  - A diagram of the kitchen plan detailing the space controlled by the contractor providing food service for the domestic brewery or microbrewery;
  - A notification that the liquor licensed premises, including all space contracted for food service, is subject to inspection by the LCB;
  - The terms to ensure compliance with the establishment's required hours and days of operation, full meal service requirements, minimum food service requirements, and the contractor's mandate in RCW 66.24.240 to hold necessary kitchen and food service permits from the applicable local jurisdiction; and
  - Any changes to the domestic brewery or microbrewery's contract or lease, vendor, or kitchen plan must be submitted to the LCB.
- The domestic brewery or microbrewery must ensure that all applicable food service requirements are satisfied at all times that they are open for business. Extenuating circumstances, such as the unexpected absence of one or more contractors or a contractor's equipment failure, will not absolve beer and/or wine restaurants licensee of these requirements. A beer and/or wine restaurants licensee cannot choose to stop operating under their restaurant license and only serve beer (without food options that satisfy requirements in WAC 314-02-035) under a brewery license during any portion of their beer and/or wine restaurants operating hours.



# RULE-MAKING ORDER

## PERMANENT RULE ONLY

### CR-103P (December 2017) (Implements RCW 34.05.360)

**Agency:** Washington State Liquor and Cannabis Board

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** The Washington State Liquor and Cannabis Board (Board) is amending three rule sections of chapter 314-02 WAC for implementation of Engrossed House Bill 1602 (Chapter 141, Laws of 2025). These amendments are regarding expanded contract food service options for domestic breweries and microbreweries that apply for beer and wine restaurant or spirits, beer, and wine restaurant licenses. EHB 1602 allows for domestic breweries or microbreweries to subcontract with one or more individuals or entities, including mobile food trucks, to satisfy the food service options necessary to obtain and maintain a beer and/or wine restaurant license or a spirits, beer, and wine restaurant license.

The rule amendments to implement EHB 1602 include the following rule sections:

WAC 314-02-015 – What is a spirits, beer, and wine restaurant license?

WAC 314-02-035 – Food service requirements for a spirits, beer, and wine restaurant license.

WAC 314-02-045 – What is a beer and/or wine restaurant license?

**Citation of rules affected by this order:**

New: None

Repealed: None

Amended: WAC 314-02-015, WAC 314-02-035, WAC 314-02-045

Suspended: None

**Statutory authority for adoption:** RCW 66.08.030, RCW 62.24.246, Engrossed House Bill 1602 (Chapter 141, Laws of 2025)

**Other authority:**

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 26-06-093 on March 4, 2026 (date).

Describe any changes other than editing from proposed to adopted version: No changes.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	___	Amended	<u>3</u>	Repealed	___

**The number of sections adopted at the request of a nongovernmental entity:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted on the agency's own initiative:**

New	___	Amended	<u>3</u>	Repealed	___
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted using:**

Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	<u>3</u>	Repealed	___

**Date Adopted:** May 6, 2026

**Name:** Jim Vollendroff

**Title:** Chair

**Signature:**

Place signature here

**WAC 314-02-015 ((What is a)) Spirits, beer, and wine restaurant license((?)).** (1) Per RCW 66.24.400, this license allows a restaurant to:

(a) Serve spirits by the individual glass or soju by the bottle for on-premises consumption.

(i) Soju served by the bottle may only be served in restaurants holding a soju endorsement and must be served under the provisions outlined in RCW 66.24.400(5);

(ii) Soju endorsement holders must ensure servers providing soju to patrons are trained every five years in the soju curriculum developed by the board.

(b) Serve beer by the bottle or can or by tap for on-premises consumption;

(c) Serve wine and sake for on-premises consumption;

(d) Allow patrons to remove recorked or recapped wine, sake, or soju from the licensed premises;

(e) Sell wine by the bottle for off-premises consumption with the appropriate endorsement; and

(f) Sell kegs of malt liquor with the appropriate endorsement. This endorsement also allows the sale of beer or cider as defined in RCW 66.24.210(6) in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap by the retailer at the time of sale.

(2) To obtain and maintain a spirits, beer, and wine restaurant license, the restaurant must be open to the public at least five hours a day during the hours of 8:00 a.m. and 11:00 p.m., three days a week.

(3) (a) Except as provided in (b) of this subsection, all applicants for a spirits, beer, and wine license must establish, to the satisfaction of the board, that the premises will operate as a bona fide restaurant. The term "bona fide restaurant" means a business where the board can clearly determine that the primary purpose of the business is the service of complete meals. "Complete meals" is defined in WAC ((314-02-035)) 314-02-010.

(b) When qualifying for and maintaining a spirits, beer, and wine license, a domestic brewery or microbrewery may contract, lease, or sublease the domestic brewery or microbrewery, with one or more individuals or entities to satisfy the food service requirements for spirits, beer, and wine restaurants in WAC 314-02-035.

(i) For purposes of this section, contracting includes the use of a mobile food unit, as defined in RCW 43.20.025, by a person or entity who sells food and nonalcoholic beverages to the public and does not hold a retail liquor license.

(ii) For purposes of this section, leasing and subleasing includes allowing, under contract, the use of a domestic brewery or microbrewery's licensed premises for the preparation and service of food by a nonliquor licensee.

(iii) Nothing in this section shall prohibit a domestic brewery or microbrewery from owning and operating a mobile food unit to meet spirits, beer, and wine restaurant food service requirements.

In such cases:

(c) Contracted food service staff not employed by the licensee are not permitted to serve the alcohol of the licensee.

(d) Any domestic brewery or microbrewery leasing or subleasing space on the licensed premises shall maintain storage space for non-tax-paid alcohol that is substantially separated from areas of the premises that are regularly accessed by the owner or staff of a mobile food unit or the owner or staff of an independently operated food service provider. For the purposes of this section, substantially separated may include:

(i) Physically securing nontax-paid alcohol in a manner that is only accessible to employees of the licensed domestic brewery or microbrewery; or

(ii) Storing alcohol in areas of the premises that are not regularly accessed by contracted food service provider staff. Any access to spaces by contracted food service providers who are providing contracted food services must be incidental and limited to that which is necessary for the purposes of accessing bathrooms, breakrooms, exits, or other permitted shared spaces.

(e) A domestic brewery or microbrewery contracting or leasing space on its licensed premises must include in the contract or lease:

(i) A diagram of the kitchen plan detailing the space controlled by the contractor providing food service for the domestic brewery or microbrewery;

(ii) A notification that the liquor licensed premises, including all space contracted for food service, is subject to inspection by the LCB;

(iii) Terms to ensure compliance with the establishment's required hours and days of operation, full meal service requirements, minimum food service requirements, and the contractor's mandate in RCW 66.24.240 to hold necessary kitchen and food service permits from the applicable local jurisdiction;

(iv) Any changes to the domestic brewery or microbrewery's contract or lease, vendor, or kitchen plan must be submitted to the board.

Notes:

(1) Regardless of whether a domestic brewery or microbrewery uses its own facilities and staff to satisfy food service requirements for spirits, beer, and wine restaurants in WAC 314-02-035 or they use one or more contractors to do so, the domestic brewery or microbrewery must ensure that all applicable food service requirements are satisfied at all times that they are open for business. Extenuating circumstances, such as the unexpected absence of one or more contractors or a contractor's equipment failure, will not absolve a spirits, beer, and wine licensee of these requirements.

(2) A spirits, beer, and wine restaurant licensee cannot choose to stop operating under their restaurant license and only serve beer (without food options that satisfy requirements in WAC 314-02-035) under a brewery license during any portion of their spirits, beer, and wine restaurant operating hours.

AMENDATORY SECTION (Amending WSR 22-01-052, filed 12/8/21, effective 1/8/22)

**WAC 314-02-035 Food service requirements for a spirits, beer, and wine restaurant license.** (1) Except as provided under subsection (10) of this section, a spirits, beer, and wine restaurant licensee must serve at least four complete meals. Establishments shall be maintained in a substantial manner as a place for preparing, cooking, and serving of complete meals. "Complete meal" is defined in WAC 314-02-010.

(2) The restaurant must maintain the kitchen equipment necessary to prepare the complete meals required under this section.

(3) The complete meals must be prepared on the restaurant premises.

(4) A chef or cook must be on duty while complete meals are offered.

(5) A menu must be available to customers.

(6) The food items required to maintain the menu must be on the restaurant premises. These items must be edible.

(7) Restaurants that have 100 percent dedicated dining area must maintain complete meal service any time liquor is available for sale, service, or consumption.

(8) (a) Restaurants with less than 100 percent dedicated dining area must maintain complete meal service for a minimum of five hours a day during the hours of 8:00 a.m. and 11:00 p.m., three days a week.

(b) Minimum food service must be available during hours of alcohol service when complete meal service is not offered. "Minimum food service" is defined in WAC 314-02-010.

(9) The hours of complete meal service must be conspicuously posted on the premises or listed on the menu. A statement that minimum food service is available outside of those hours must also be posted or listed on the menu.

(10) When qualifying for and maintaining a spirits, beer, and wine restaurant license, a domestic brewery or microbrewery may contract with one or more individuals or entities to satisfy the food service requirements for spirits, beer, and wine restaurants in this section per the provisions of WAC 314-02-015 (3) (b) through (d) (iv).

AMENDATORY SECTION (Amending WSR 25-19-050, filed 9/10/25, effective 10/11/25)

**WAC 314-02-045 ((What is a) Beer and/or wine restaurant license (?))**. (1) Per RCW 66.24.320 and 66.24.354, this license allows a restaurant to:

Privilege	Annual fee
(a) Serve beer by the bottle or can or by tap for on-premises consumption.	\$300
(b) Serve wine or sake for on-premises consumption (see RCW 66.24.320 regarding patrons removing recorked or recapped wine or sake from the premises).	\$300
(c) Sell beer and/or wine in the original, unopened containers for off-premises consumption.	\$120
(d) Sell tap beer for off-premises consumption in a sanitary container holding less than four gallons of beer, and brought to the premises by the purchaser.	In conjunction with off-premises privilege outlined in (c) of this subsection.

Privilege	Annual fee
(e) Sell cider as defined in RCW 66.24.210(6) for off-premises consumption to a purchaser in a sanitary container brought to the premises by the purchaser or provided by the licensee and filled at the tap in the restaurant at the time of purchase. The licensee must comply with federal regulations.	In conjunction with off-premises privilege outlined in (c) of this subsection.
(f) Sell beer in kegs or other containers holding at least four gallons of beer (see WAC 314-02-115 regarding the requirements for registering kegs).	In conjunction with off-premises privilege outlined in (c) of this subsection.

(2) Except as provided in subsection (4) of this section, all applicants for a beer and/or wine restaurant license must establish, to the satisfaction of the board, that the premises will operate as a bona fide restaurant, as defined in RCW 66.04.010.

(a) Minimum food service is required, as defined in WAC 314-02-010.

(b) To obtain and maintain a beer and/or wine restaurant license, the restaurant must be open to the public at least five hours a day, two days a week.

(3) If a beer and/or wine restaurant's dedicated dining area comprises less than 15 percent of the total customer service area, the premises must maintain a tavern license as described in WAC 314-02-070.

(4) When qualifying for and maintaining a beer and/or wine license, a domestic brewery or microbrewery may contract, lease, or sublease the domestic brewery or microbrewery, with one or more individuals or entities to satisfy the food service requirements for beer and wine restaurants in WAC 314-02-010.

(a) For purposes of this section, contracting includes the use of a mobile food unit, as defined in RCW 43.20.025, by a person or entity who sells food and nonalcoholic beverages to the public and does not hold a retail liquor license.

(b) For purposes of this section, leasing and subleasing includes allowing, under contract, the use of a domestic brewery or microbrewery's licensed premises for the preparation and service of food by a nonliquor licensee.

(c) Nothing in this section shall prohibit a domestic brewery or microbrewery from owning and operating a mobile food unit to meet beer and wine restaurant food service requirements.

In such cases:

(5) Contracted food service staff not employed by the licensee are not permitted to serve the alcohol of the licensee.

(6) Any domestic brewery or microbrewery leasing or subleasing space on the licensed premises shall maintain storage space for nontax-paid alcohol that is substantially separated from areas of the premises that are regularly accessed by the owner or staff of a mobile food unit or the owner or staff of an independently operated food service provider. For the purposes of this section, substantially separated may include:

(a) Physically securing nontax-paid alcohol in a manner that is only accessible to employees of the licensed domestic brewery or microbrewery; or

(b) Storing alcohol in areas of the premises that are not regularly accessed by contracted food service provider staff. Any access to spaces by contracted food service providers who are providing contracted food services must be incidental and limited to that which is necessary for the purposes of accessing bathrooms, breakrooms, exits, or other permitted shared spaces.

(7) A domestic brewery or microbrewery contracting or leasing space on its licensed premises must include in the contract or lease:

(a) A diagram of the kitchen plan detailing the space controlled by the contractor providing food service for the domestic brewery or microbrewery;

(b) A notification that the liquor licensed premises, including all space contracted for food service, is subject to inspection by the LCB;

(c) Terms to ensure compliance with the establishment's required hours and days of operation, full meal service requirements, minimum food service requirements, and the contractor's mandate in RCW 66.24.240 to hold necessary kitchen and food service permits from the applicable local jurisdiction.

(8) Any changes to the domestic brewery or microbrewery's contract or lease, vendor, or kitchen plan must be submitted to the board.

Notes:

(1) Regardless of whether a domestic brewery or microbrewery uses its own facilities and staff to satisfy food service requirements for spirits, beer, and wine restaurants in WAC 314-02-035 or they use one or more contractors to do so, the domestic brewery or microbrewery must ensure that all applicable food service requirements are satisfied at all times that they are open for business. Extenuating circumstances, such as the unexpected absence of one or more contractors or a contractor's equipment failure, will not absolve a spirits, beer, and wine licensee of these requirements.

(2) A spirits, beer, and wine restaurant licensee cannot choose to stop operating under their restaurant license and only serve beer (without food options that satisfy requirements in WAC 314-02-035) under a brewery license during any portion of their spirits, beer, and wine restaurant operating hours.



# Washington State Liquor and Cannabis Board

## Notice of Permanent Rules

**Regarding contract kitchen options for domestic breweries and microbreweries.**

**This concise explanatory statement concerns the Washington State Liquor and Cannabis Board's adoption of amendments to WAC 314-02-015, WAC 314-02-035, and WAC 314-02-045.**

The Administrative Procedure Act (RCW 34.05.325(6)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. The concise explanatory statement must be provided to any person upon request, or from whom the WSLCB received comment.

The WSLCB appreciates and encourages your involvement in the rule making process. If you have questions, please contact Jeff Kildahl, Policy and Rules Coordinator, at [rules@lcb.wa.gov](mailto:rules@lcb.wa.gov).

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### Background and reasons for adopting these rules:

The Washington State Legislature passed Engrossed House Bill 1602 (Chapter 141, Laws of 2025) on April 14, 2025. This Bill, which went into effect on July 27, 2025, allows for domestic breweries or microbreweries to subcontract with one or more individuals or entities, including mobile food trucks, to satisfy the food service options necessary to obtain and maintain a beer and/or wine restaurant license or a spirits, beer, and wine restaurant license.

The LCB filed a CR 101 on September 3, 2025 as WSR 25-19-002 to begin rulemaking to implement EHB 1602, and filed a CR 102 as WSR 26-06-093 on March 4, 2026. The effective date of these rules is June 6, 2026.

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### Public comment received on the proposal:

There was one public comment received on this rule.

#### Comment from Keith Barnes:

From: Keith Barnes <[kbarnes@bainbridgedistillers.com](mailto:kbarnes@bainbridgedistillers.com)>  
Sent: Friday, March 6, 2026, 6:34 AM  
To: LCB DL Rules <[rules@lcb.wa.gov](mailto:rules@lcb.wa.gov)>  
Subject: LCB Board Takes Action on Two Alcohol-Related Issues - Craft Distilleries

External Email

In reading these I do not see that they impact Craft Distilleries and their tasting rooms.

Cheers and Thanks!

Keith Barnes  
President & Master Distiller  
Bainbridge Organic Distillers

**Response by Jeff Kildahl:**

Good afternoon, Keith,

The contract kitchens rulemaking does not affect distilleries. It only applies to domestic breweries and microbreweries that apply for beer and/or wine restaurant licenses or spirits, beer, and wine licenses.

Sincerely,  
Jeff

**Changes from Proposed Rules (CR-102) to the Rules as Adopted:**

There were no changes between the proposed rule and the final rule.