Washington State
Liquor and Cannabis Board

Date: September 20, 2017

To: Jane Rushford, Board Chair
Ollie Garrett, Board Member
Russ Hauge, Board Member

From: Karen McCall, Agency Rules Coordinator

Subject: **Rescind Board Interim Policies**

The following 25 board interim policies are no longer needed. The board has adopted rules to implement the interim policies or the policies are no longer valid.

- BIP-01-2009 Application of Agency Key Impacts Evaluation Tool
- BIP-09-2009 Making Changes to the Washington State Label Approval Program & the Process for Fortified Wine Tax Collection
- BIP 02-2010 Making Changes to the Sports Entertainment License for Seasonal Amateur Sports and Suggesting a Prorated License Fee
- BIP-06-2011 Sidewalk Café Service Areas
- BIP-01-2013 Spirits Sampling in Spirits Retail Licensed Premises
- BIP-02-2013 Beer and Wine Tasting at Farmer's Markets
- BIP-03-2013 Interim Class 15 Permit Requirements
- BIP-04-2013 Beer and Wine Theater License
- BIP-05-2013 Spirits, Beer, and Wine Theater License
- BIP-06-2013 Return of Washington Wine
- BIP-01-2014 Assessing Penalties for Late Payments to the Board
- BIP-04-2014 Caterer's License
- BIP-05-2014 Class 16 Day Spa Permit
- BIP-06-2014 Distillers and Craft Distillers
- BIP-07-2014 Senior Center License
- BIP-08-2014 Wine and Cider Growlers
- BIP-10-2014 Spirits Sampling in Spirits Retail Licensed Premises (allowing the use of mixers with samples)
- BIP-01-2015 Spirits Sampling at Distilleries and Craft Distilleries
- BIP-02-2015 Non-Profit Arts Organization License
- BIP-03-2015 Special Winery Permit
- BIP-04-2015 Special Distillery/Craft Distillery Permit
- BIP-06-2015 Growlers in Grocery Stores
- BIP-07-2015 Spirits Retailer Licenses (delivery options)

- BIP-08-2015 Beer/Wine Gift Delivery License (delivery requirements)
- BIP 05-2016 Use of Internet or Mobile Applications to Purchase Alcohol

_____ Approve _____ Disapprove _____ _____
Jane Rushford, Chair Date

_____ Approve ____/____ Disapprove _____ _____
Ollie Garrett, Board Member Date

_____Approve _____Disapprove _____ _____
Russ Hauge, Board Member Date

Washington State
Liquor Control Board

Liquor Control Board Interim Policy #01 - 2009

Subject: Application of Agency Key Impacts Evaluation Tool

Effective Date: January 7, 2009

Ending Date: January 2, 2010

Approved:

Lorraine Lee, Board Chairman

Roger Hoen, Board Member

Ruthann Kurose, Board Member

Background

The 2006 Three Tier Task Force recommended the Liquor Control Board (LCB) create key impact measures to allow the agency to collect data to effectively show how policy or rule changes could affect the industry, consumers, the state, and society. The recommendation specifically stated *"The Legislature is encouraged to provide funding to the LCB to develop research and analysis capability, and work collaboratively with stakeholders and other agencies and organizations to collect independent data, and to use/analyze existing data."* An internal workgroup, created in 2008, developed a list of key impact measures and the Key Impacts Evaluation Tool in response to the Three Tier Task Force recommendation.

Purpose Statement

The purpose of Liquor Control Board Interim Policy #01 – 2009 is to document that the agency will use the Key Impacts Evaluation Tool to make decisions on proposed law, rule, or policy changes. The evaluation process and identification of impact measures is incorporated into the agency's bill analysis process. This Policy describes the duration of the pilot use of the Evaluation Tool, criteria, and general process guidelines.

Policy Statement
One of the LCB's top priorities is to promote public safety. To support this mission laws, rules, and policy changes will be evaluated against a standard set of criteria and key impact measures to determine the potential impacts to the LCB. The criteria includes:

- Advertising and Marketing Activities
- Enforcement and Licensing
- Education and Training
- Pricing Practices
- Access and Availability
- Agency Resources

Policy Duration
The Key Impacts Evaluation Tool will be used on a trial basis to determine its effectiveness. Within a year of using the tool, the Board will determine if the tool needs further definition or additional criteria.

Policy Implementation
The Key Impacts Evaluation Tool is for internal use only. Refer to the Guidelines for Applying the Key Impacts Evaluation Tool to the Legislative Process for more details on how and when to use the tool and impact measures.

11/20/08 (mlm) rev. 1/2/09

Washington State
Liquor Control Board

Liquor Control Board Interim Policy #09-2009

Subject: **Making changes to the Washington State Label Approval Program and the process for Fortified Wine tax collection**

Effective Date: **August 19, 2009**

Ending Date: **Until superseded by rule or rescinded by the Board**

Approved:

Sharon Foster, Board Chairman

Ruthann Kurose, Board Member

BACKGROUND

During the Washington State Liquor Control Board's priorities in government exercise, the Licensing and Regulation Division identified "label approval" as a task or work process that could potentially be eliminated due to the federal Certificate of Approval wine and beer label approval process that already exists. Complaints could still be received about labels or packaging, but would be sent to Enforcement for determination of a violation.

State law does not require that the Licensing and Regulation Division review and approve all beer and wine labels, but does outline requirements for elements to be included on labels.

PURPOSE STATEMENT

Because two positions were cut in the Licensing Division Non-Retail Licensing Program and federal label approval exists for beer and wine, this policy ends the state label and packaging approval process and accepts federal Certificate of Label Approval (COLA) as state approval for beer and wine labels and packaging. Rules will be promulgated to change the process to acceptance of the COLA as adequate approval. Complaints can still be received by the agency and investigated if allegations that non-COLA approved beer and wine are being sold.

FORTIFIED WINE TAXATION (RCW 66.24.210(4))

RCW 66.24.210(4) imposes a higher tax on fortified wine. Currently, the agency uses the Label Approval Web site to track production of wines over 14 percent alcohol by volume due to natural aging (not fortified). This policy proposes to change the tracking of non-fortified higher-alcohol wine to one of tracking actual fortified wine produced to assess the higher tax rate, and to adopt rules making this change.

POLICY STATEMENT

The WSLCB permits the federal Certificate of Label Approval (COLA) as approval for beer and wine to be sold in the state of Washington and the label approval program to cease approving labels. Labels and information that is in the Price Posting system will remain in the system, although the link for external customers to post labels will be removed from the agency external Web site.

The Board also approves changing the exception to fortified wine information collected by Finance to instead collect information on producers of fortified wine for taxation purposes.

POLICY DURATION

This interim policy will be effective upon Board adoption and will stay in effect until superseded by rule or rescinded by the Board.

WACS TO BE CHANGED OR UPDATED

314-24-040 Wine Labels – Certificate of label approval required – Labels to be submitted
314-20-050 Alcoholic content
314-24-080 Containers – Sizes and types permitted
314-24-090 Wine labels
314-20-020 Beer labels
314-20-030 Packages

POLICY IMPLEMENTATION

Upon approval and signature of the Washington State Liquor Control Board.

ATTACHMENTS

1. Label Approval Issue Paper presented to the Board on August 19, 2009
2. Related Beer/Wine RCW and WAC List

Washington State
Liquor Control Board

Liquor Control Board Interim Policy #02-2010

Subject: **Making Changes to the Sports Entertainment License for Seasonal Amateur Sports and Suggesting a Prorated License Fee**

Effective Date: **February 10, 2010**

Ending Date: **Until superseded by rule or rescinded by the Board**

Approved: Sharon Foster

Sharon Foster, Board Chairman

Ruthann Kurose

Ruthann Kurose, Board Member

BACKGROUND

Currently, most seasonal amateur sports organizations hold a snack bar license due to the high cost of the sports entertainment license and the lack of a prorated fee option. Typically, with the snack bar license, customers cannot take alcohol to the stands or seats surrounding the playfield.

If amateur teams are allowed a prorated monthly fee option for a seasonal sports entertainment license type, they will be able to apply and submit an operating plan showing how alcohol will be properly controlled while meeting their business needs to allow adults to consume alcohol while watching the game.

RCW 66.24.420 (1) (b) allows proration of a license fee for only spirits, beer and wine restaurants outside of incorporated cities and towns, but nowhere in law or rule is proration of a fee prohibited for other liquor license types.

RCW 66.24.570 is the sports entertainment license in law.

PURPOSE STATEMENT

This issue paper is to request that the Board consider interpreting law and rule to allow monthly proration of the sports entertainment license fee for *only* seasonal amateur sport organization applicants, or, to applicants who will sell alcohol only at an amateur sports venue to customers.

POLICY STATEMENT

The Washington State Liquor Control Board shall adopt this interim policy to interpret RCW 66-24-570 (sports entertainment license), and RCW 66.24.420 (proration of the spirits, beer and wine restaurant license fee), to allow monthly proration of the sports entertainment facility license fee only for seasonal amateur sports licensees. After licensed, the agency will allow alcohol consumption in the stands or other designated areas if the areas are included in the venue's operating plan with required public safety elements. Operating plans are required under the sports entertainment license already.

In addition, Licensing Division will develop a process for fee collection based on current financial systems.

Licensing Division must request that amateur organizations provide proof of amateur status to be eligible for the prorated amateur sports entertainment license. Entities that plan to provide alcohol service to customers at a location that is an amateur sports venue must provide a contract or verification showing that their business is only for that purpose.

In addition, months prorated must only be contiguous, basically, a seasonal prorated license that begins when the sports season starts and stops when the sports season ends. If a team's season is extended, the licensee must request an extension at least 30 days prior to the expiration of the license period to extend the license and appropriate monthly fees must be paid for those additional months needed for the liquor license.

A renewal process that includes local authority notification must also be a part of the process for this seasonal modification similar to the annual notice sent to local authorities for other liquor licenses.

Applicants applying for the seasonal amateur sports entertainment license must provide justification of their need for this license and why they cannot apply for the annual sports entertainment license.

The Board directs the Licensing Division to make necessary changes to allow monthly fee collection for amateur sports licensees, including updating WAC 314-16-265. Amateur venues must meet all other license requirements currently in law and rule for the sports entertainment license type.

POLICY DURATION

This interim policy will be effective upon Board adoption and will stay in effect until superseded by rule or rescinded by the Board.

WACS TO BE CHANGED OR UPDATED

Washington Administrative Code 314-16-260 through 314-16-275.

POLICY IMPLEMENTATION

Upon approval and signature of the Washington State Liquor Control Board.

ATTACHMENTS

RCW 66.24.420 - Liquor by the drink, spirits, beer, and wine restaurant license

RCW 66.24.570 - Sports entertainment facility license

WAC 314-16-260 through 314-16-275 – Sports entertainment facility license

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP 06-2011

Subject: Sidewalk Cafe Service Areas

Effective Date: August 10, 2011

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Not present
Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
The purpose of Liquor Control Board Interim Policy 06-2011 is to provide the requirements to allow sidewalk café service at a liquor licensed premises.

Background:
The city of Seattle has requested the board allow on-premises liquor licensees to extend their food and alcohol service to public right-of-way areas within the city. The city of Seattle has created a permit for a "sidewalk café". The city believes "sidewalk cafes" activate the street-level pedestrian environment, enhance neighborhood safety and public perception of safety, and advance Seattle's character and quality of life. The city has established standards and requirements for the "sidewalk permit".

Since the areas the city is asking about are public right-of-ways, there was some concern about alcohol service in these areas. RCW 66.44.100 states:

"Except as permitted by this title, no person shall open the package containing liquor or consume liquor in a public place. Every person who violates any provision of this section shall be guilty of a class 3 civil infraction under chapter 7.80 RCW."

The AGs office was consulted on this issue. The city limits the "sidewalk cafes" by requiring a permit application fee, an annual permit fee, plus an amount they charge per square foot if the licensee wants to serve alcohol. The "sidewalk café" areas meet the requirement that the area be under the licensee's control, and it is not a "public place". Even when the city is allowing the licensee to use city right-of-way or other city-owned property, the licensee is, in effect, getting a lease to use the space. The AGs office did not see a "drinking in public" concern.

The AAG states rule language requiring the licensee provide a copy of their local permit to the board to show a right to the area should be drafted and adopted by the board.

Policy Statement:
To request approval for a "sidewalk café" service area, an on-premises liquor licensee must:

- Submit an alteration/added activity request including a "Sidewalk Café" Operating Plan for board approval that addresses the following requirements:

  - ✓ The "sidewalk café" area is for the exclusive use of the liquor licensee and conduct in this area is the responsibility of the licensee;
  - ✓ The "sidewalk café" area must be enclosed with a barrier at least forty-two inches in height;
  - ✓ Food must be available in the "sidewalk café" area when liquor is being served;
  - ✓ Alcoholic beverages must be prepared in the liquor service area inside the licensed premises;
  - ✓ At least one employee must be designated in the "sidewalk café" area and be responsible for control of the area; and
  - ✓ Lighting in the "sidewalk café" area must comply with WAC 314-11-055.

- Provide a copy of their "sidewalk café" permit issued by the local jurisdiction to show they have the right to the area; and
- Submit a sketch of the sidewalk café area in relation to the licensed premises (The "sidewalk café" area must be directly across from the liquor licensed premises);

Failure to comply with these requirements or conduct in violation of Title 66 RCW and/or Title 314 WAC may result in cancellation of the approval for "sidewalk café" service.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-01-2013

Subject: Spirits Sampling in Spirits Retail Licensed Premises

Effective Date: July 28, 2013

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SSB 5396 created spirits sampling for holders of a spirits retail license allowing the licensee to conduct spirits sampling on the licensed premises. The bill states sampling must be conducted in accordance with rules established for sampling activities for beer/wine tastings in grocery stores and specialty shops. Rules are needed to clarify the conditions and requirements of the spirits samplings at spirits retail premises.

Policy Statement:
Until superseded by rule, in order to be issued a spirits sampling endorsement, the licensee must meet the following criteria:

- Be a participant in the Responsible Vendor Program.
- Advertising:
  - ✓ For spirits retail licensees that also hold a Grocery Store license, signs advertising spirits samplings may not be placed in the windows or outside of the premises that can be viewed from the public right of way.
  - ✓ For spirits retail licensees that also hold a Beer/Wine Specialty Store license, advertising of spirits sampling may be advertised but not state that sampling is free of charge.

Spirits samplings are to be conducted in the following manner:

- Spirits samplings service area and facilities must be located within the licensees fully enclosed retail area and must be of a size and design that the licensee can observe and control persons in the area.
- The licensee must provide a sketch of the sampling area. Fixed or moveable barriers are required around the sampling area to ensure that persons under 21 years of age and apparently intoxicated persons cannot possess or consume alcohol. The sketch is to be included with the application for the spirits sampling endorsement.
- Each sample may be no more than one-half ounce of spirits, and no more than a total of one and one-half ounces of spirits samples per person during any one visit to the premises. Only one sample of the same product offering of spirits may be provided to a customer during any one visit to the premises. Spirits samples must be unaltered.
- The licensee must have food available for the sampling participants.
- Customers must remain in the service area while consuming samples
- Employees serving spirits during sampling events must hold a class 12 server permit.
- There must be at least two employees on duty when conducting spirits sampling events.
- Spirits sampling activities under this policy are subject to RCW 66.28.305 and RCW 66.28.040.

Licensees are required to send a list of scheduled spirits samplings to their regional enforcement office at the beginning of each month. The date and time for each sprits sampling must be included.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-02-2013

Subject: Beer and Wine Tasting at Farmer's Markets

Effective Date: July 28, 2013

Ending Date: Upon adoption of rules to implement this policy

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SB 5674 passed in the 2013 legislative session and allows beer and wine tasting at Farmer's Markets. The bill outlines the criteria under which a Farmer's Market may be authorized to conduct tastings.

Policy Statement:
In order to be allowed beer and wine tasting at a Farmer's Market, the following criteria must be met:

- The Farmer's Market must be authorized to allow wineries, breweries, and microbreweries to sell bottled wine and/or beer at retail.
- The Farmer's Market must hold an endorsement to allow sampling of wine or beer or both.
- A winery, brewery, or microbrewery offering samples at a Farmer's Market must have an endorsement from the board to sell wine or beer of its own production at a Farmer's Market.
- No more than three wineries, breweries, microbreweries combined may offer samples at a qualifying Farmer's Market per day.
- A winery, brewery, or microbrewery may advertise that it offers samples only at its designated booth, stall, or anywhere within the Farmer's Market..

Samples may be offered only under the following conditions:

- Each sample must be two ounces or less, up to a total of two ounces per customer per day;
- Beer and wine samples are to be conducted in the booth or stall of the winery, brewery, or microbrewery with a barrier at least forty-two inches in height, where licensees are able to observe and control customers participating in the samples; the barriers may be moveable (an example would be ropes and stanchions);
- A winery, brewery, or microbrewery must have food available for customers to consume while sampling beer or wine, or must be adjacent to a vendor offering prepared food;
- Customers must remain in the designated sampling area while sampling beer or wine;
- Winery, brewery, or microbrewery employees serving beer and wine during tasting events must hold a valid MAST permit; and
- If a winery, brewery, or microbrewery commits a public safety violation in conjunction with sampling activities, the board may suspend the licensee's farmer's market endorsement for up to two years. If mitigating circumstances exist, the Board may offer a monetary penalty in lieu of suspension during a settlement conference.

The Farmer's Market is required to provide a sketch to Licensing Division of the area where beer and wine samples will be conducted and any adjacent food booths.

The Farmer's Market is also required to send a list of scheduled beer and wine samplings to the Liquor Control Board to MIWenforce@liq.wa.gov at the beginning of each month. The date for each beer and wine sampling, and the names of the winery, brewery, or microbrewery providing the samples must be included.

Washington State
Liquor Control Board

Liquor Control Board Amended Interim Policy BIP-03-2013

Subject: **Class 15 Permit Requirements**

Effective Date: July 28, 2013

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SSB 5774 passed in the 2013 legislative session creating a special permit allowing tasting of alcohol by persons at least 18 years of age who are enrolled as a student in a class that is part of a culinary, wine technology, beer technology, or spirituous technology related degree program at a community or technical college.

Policy Statement:
In order to be issued a Class 15 Permit, the licensee must meet the following criteria:

- The permit applicant is a community or technical college.
- The permit allows tasting, not consuming, of alcohol as part of the class curriculum with approval of the educational provider.
- The alcohol served to any person under 21 years of age in the program is tasted but not consumed for the purpose of educational training as part of the class curriculum with the approval of the educational provider; and
- Faculty or staff of the educational provider must supervise the service and tasting and be at least 21 years of age, and hold a class 12 or 13 alcohol server permit. Students may not purchase the alcoholic beverages.

Washington State
Liquor Control Board

Liquor Control Board Amended Interim Policy BIP-04-2013

Subject: **Beer and Wine Theater License**

Effective Date: September 25, 2013

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SHB 1001 passed in the 2013 legislative session creating a beer/wine theater license for theaters with no more than four screens. If theater premises are to be frequented by minors, an alcohol control plan must be submitted to the LCB during the application process. There are no food requirements for this license.

Policy Statement:
In order to be issued a Beer/Wine Theater license, the applicant must meet the following criteria:

- The theater has no more than four screens.
- The theater is a place of business where motion pictures or other primarily non-participatory entertainment are shown
- All servers of beer and wine are required to attend a mandatory alcohol server training program.
- Penalties are doubled for a violation involving minors or the failure to follow an alcohol control plan.
- Submit a signed and dated "Alcohol Control Plan Agreement" to the LCB for the entire theater premises, or a room or area therein. The Alcohol Control Plan Agreement will be provided on a form by the board and includes:
    - To ensure that alcoholic beverages are not sold to persons under the age of 21, staff will request identification from any patron who

appears to be age 30 or under and who is attempting to purchase an alcoholic beverage.

- Alcoholic beverages must be served in containers that differ significantly from containers utilized for non-alcoholic beverages.

- All alcoholic beverages sold under this license must be sold by the individual drink.

- If staff observes a patron who is in the possession of or who is consuming an alcoholic beverage who appears to be of questionable age, staff will request identification from that patron. If the patron is unable to produce an acceptable form of identification verifying their age the alcohol will be confiscated. The licensee is responsible for assuring compliance with all liquor laws and rules in all locations where alcohol is sold, served, and consumed.

- Staff will accept only those forms of identification that are acceptable per WAC 314-11-025 to verify a person's age for the purpose of selling, serving, or allowing a person to possess or consume alcohol.

- All employees involved in the sale, service and/or supervision of alcoholic beverages will be required to attend Mandatory Alcohol Server Training (MAST) obtain the appropriate permit for their level of service.

- Sufficient lighting must be maintained at the point of sale so that identification can be confirmed and patrons observed for signs of intoxication.

- To ensure alcoholic beverages are served in a safe, responsible and controlled manner, sales and service of alcoholic beverages will be limited to one serving per person per transaction.

- If a patron is accompanied by another patron who wants to pay for both people's drinks, they may do so, provided that both patrons are of legal age to purchase, and have proper identification, if requested, and are not displaying signs of intoxication.

- Alcohol may only be sold, served, and consumed in areas designated in the alcohol control plan and approved by the board.

- Staff will refuse to sell an alcoholic beverage to any person who appears to be intoxicated. Alcoholic beverages will be removed from any person who appears to be intoxicated.

- This Alcohol Control Plan Operating Agreement will be prominently posted on the licensed premises.
- Any significant changes to the alcohol control plan must be submitted to the Licensing Division and approved prior to implementation.

Washington State
Liquor Control Board

Liquor Control Board Amended Interim Policy BIP-05-2013

Subject: **Spirits, Beer, and Wine Theater License**

Effective Date: September 25, 2013

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
ESSB 5607 passed in the 2013 legislative session creating a Spirits/Beer/ Wine Theater license for theaters with no more than 120 seats per screen. If the theater premises are to be frequented by minors, an alcohol control plan must be submitted to the LCB during the application process. There must be tabletop accommodations for in-theater dining and comply with the same meal preparations and service requirements as spirits, beer, and wine restaurant licenses.

Policy Statement:
In order to be issued a Spirits/Beer/Wine Theater license, the applicant must meet the following criteria:

- The theater has no more than 120 seats per screen.
- The theater is a place of business where motion pictures or other primarily non-participatory entertainment such as text messaging to movie screen, skits, and comedy shows are shown.
- All servers of spirits, beer and wine are required to attend a mandatory alcohol server training program.
- Penalties are doubled for a violation involving minors or the failure to follow the Alcohol Control Plan Agreement.

- Required to meet the same food service requirements as a Spirits/Beer/Wine Restaurant license under WAC 314-02-035 and must have tabletop accommodations for in theater dining.
- Submit a signed and dated "Alcohol Control Plan Agreement" to the LCB for the entire theater premises, or a room or area therein. The Alcohol Control Plan Agreement will be provided on a form by the board and includes:

    - To ensure that alcoholic beverages are not sold to persons under the age of 21, staff will request identification from any patron who appears to be age 30 or under and who is attempting to purchase an alcoholic beverage.

    - Alcoholic beverages must be served in containers that differ significantly from containers utilized for non-alcoholic beverages.

    - All alcoholic beverages sold under this license must be sold by the individual drink.

    - If staff observes a patron who is in the possession of or who is consuming an alcoholic beverage who appears to be of questionable age, staff will request identification from that patron. If the patron is unable to produce an acceptable form of identification verifying their age the alcohol will be confiscated. The licensee is responsible for assuring compliance with all liquor laws and rules in all locations where alcohol is sold, served, and consumed.

    - Staff will accept only those forms of identification that are acceptable per WAC 314-11-025 to verify a person's age for the purpose of selling, serving, or allowing a person to possess or consume alcohol.

    - All employees involved in the sale, service and/or supervision of alcoholic beverages will be required to attend Mandatory Alcohol Server Training (MAST) obtain the appropriate permit for their level of service.

    - Sufficient lighting must be maintained at the point of sale so that identification can be confirmed and patrons observed for signs of intoxication.

    - To ensure alcoholic beverages are served in a safe, responsible and controlled manner, sales and service of alcoholic beverage will be limited to one serving per person per transaction.

- If a patron is accompanied by another patron who wants to pay for both people's drinks, they may do so, provided that both patrons are of legal age to purchase, and have proper identification, if requested, and are not displaying signs of intoxication.

- Alcohol may only be sold, served, and consumed in areas designated in the alcohol control plan and approved by the board.

- Staff will refuse to sell an alcoholic beverage to any person who appears to be intoxicated. Alcoholic beverages will be removed from any person who appears to be intoxicated.

- This Alcohol Control Plan Operating Agreement will be prominently posted on the licensed premises.

- Any significant changes to the alcohol control plan must be submitted to the Licensing Division and approved prior to implementation.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-06-2013

Subject: **Return of Washington Wine**

Effective Date: November 6, 2013

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
Currently WAC 314-24-070 authorizes Washington Wine that has been exported out of state to only be returned to the winery of origin. Wineries that have business models that include out of state central warehousing for the West Coast and their Washington distributors find this requirement to be onerous and have asked for modifications to the rule. The Board upon reviewing the requirements finds the following:

1. Altering the requirement that Washington Wine that is being returned to the state first be returned to the winery of origin would not pose a public safety hazard;
2. The current requirement does not add value to the regulatory process and is currently being complied with through a process that is often referred to as "bumping the dock".
3. While the current process does provide a physical audit trail, this chain of regulatory responsibility can currently be accomplished through alternative electronic invoicing, which will assist in streamlining and removing costs and waste from the process

Policy Statement
Wine produced and bottled by a Washington domestic winery that has been reported as an export may be returned to Washington State. The following conditions apply:

a) The wine is produced and bottled in Washington by a licensed winery;
b) The returned wine must not be altered, except for sparkling wine;

c) The export shall be from the licensed winery and returned to the same entity, a licensed wine distributor or bonded wine warehouse.
d) A domestic winery, a licensed wine distributor, or bonded wine warehouse receiving previously exported Washington wine must comply with tax collection and tracking requirements initiated by the liquor control board;
e) A domestic winery, a licensed wine distributor, or bonded wine warehouse directly receiving previously exported Washington wine must keep on file for audit purposes clear source records (shipping documents, etc.) with reporting documents. Records need to indicate what wine was returned to the state that was previously reported as an export (including number of cases and gallons).

Washington State
Liquor Control Board

Revised Liquor Control Board Interim Policy #BIP 01-2014

Subject: Assessing Penalties for Late Payments to the Board

Effective Date: February 19, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
The purpose of Liquor Control Board Interim Policy #BIP 01.2014 is to clarify how the board will assess a late payment when there is no postmark on the envelope containing the payment due to the Board. Current WAC language reads:

- "A penalty of two percent per month will be assessed on any payments postmarked after the twenty-fifth day quarterly report is due. When the twenty-fifth day of the month falls on a Saturday, Sunday, or a legal holiday, the filing must be postmarked by the U.S. Postal Service no later than the next postal business day."
- "A penalty of two percent per month will be assessed on any payments postmarked after the twentieth day of the month following the month of sale. When the twentieth day of the month falls on a Saturday, Sunday, or a legal holiday, the filing must be postmarked by the U.S. Postal Service no later than the next postal business day."

The following WACs need to be revised to address no postmark on the envelope:

- 314-02-109 - What are the quarterly reporting and payment requirements for a spirits retailer license?
- 314-19-015 - What are the reporting and tax payment requirements? (for wine and beer)
- 314-23-020 - What are the reporting and tax payment requirements for a spirits distributor licensee?

- 314-23-041 - What are the monthly reporting and payment requirements for a spirits certificate of approval licensee?
- 314-28-080 - What if a distillery or craft distillery licensee fails to report or pay, or reports or pays late?

Background:
Postmarks are often absent on mail. Bar codes have replaced postmarks in most cases. Current rules on how penalties will be assessed on late payments revolve on the postmark on the envelope. Language is needed in our rules to explain to licensees how penalties will be assessed on late payments when there is no postmark on the envelope.

Policy Statement:
Absent a postmark, the date received at the Washington State Liquor Control Board, or authorized designee, will be used to determine if penalties are to be assessed.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-08-2014

Subject: **Wine and Cider Growlers**

Effective Date: June 12, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SSB 1742 allowing additional location wineries to sell wine growlers and SSB 6442 allowing licensees that sell beer growlers to sell cider growlers passed in the 2014 legislative session. An interim policy is required until permanent rules are adopted by the board.

Policy Statement for Wine Growlers:
(1) A licensee holding a domestic winery license under RCW 66.24.170 may apply for two additional location licenses.
Wine-related retail activities allowed at an additional location include:
Selling for off-premises consumption wine of its own production in kegs or sanitary containers brought to the premises by the purchaser or furnished by the licensee. Containers must be filled at the tap at the time of sale. The licensee must meet all federal requirements.

Policy Statement for Cider Growlers:
(1) A brewery-operated or microbrewery-operated spirits, beer, and wine restaurant may sell containers of beer of its own production and cider as defined in RCW 66.24.210(6) without a kegs-to-go endorsement provided that it sells this

beer and cider for off-premises consumption only. A brewery or microbrewery may supply the container or use a container brought to the premises by a customer, and filled at the tap at the time of sale. The licensee must comply with federal regulations.

(2) A tavern or beer and/or wine restaurant that is operated by a brewery or microbrewery and has an off-premises beer and wine retailer's privilege may sell containers of cider as defined in RCW 66.24.210(6) for off-premises consumption in a sanitary container brought to the premises by the customer or provided by the licensee and filled at the tap at the time of sale, provided the licensee has a license to sell wine. The licensee must comply with federal regulations.

(3) A spirits, beer, and wine restaurant licensee with a "kegs to go" endorsement may sell cider as defined in RCW 66.24.210 (6) to a purchaser 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. The licensee must comply with all federal regulations.

(4) A hotel licensee may sell cider as defined in RCW 66.24.210 (6) to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap in the restaurant area by the licensee at the time of sale. The licensee must comply with all federal regulations.

(5) A beer and wine restaurant licensee with an off-premises endorsement may sell cider as defined in RCW 66.24.210 (6) to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap in the restaurant area by the licensee at the time of sale. The licensee must comply with all federal regulations.

(6) A beer and wine tavern licensee with an off-premises endorsement may sell cider as defined in RCW 66.24.210 (6) to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled

at the tap in the restaurant area by the licensee at the time of sale. The licensee must comply with all federal regulations.

(7) A beer and wine specialty store with an endorsement to sell growlers may sell cider as defined in RCW 66.24.210(6) to a purchaser in a sanitary container brought to the premises by the purchaser, or provided by the licensee or manufacturer, and filled at the tap by the licensee at the time of sale under the following conditions:

(a) The beer and/or wine specialty store sales of alcohol must exceed fifty percent of their total sales;

(b) The board may waive the fifty percent beer and/or wine sale criteria if the beer and/or wine specialty store maintains a wholesale alcohol inventory that exceeds fifteen thousand dollars; and

(c) The licensee must comply with federal regulations.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-07-2014

Subject: **Senior Center License**

Effective Date: June 12, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SB 5310 passed in the 2014 legislative session creating a Senior Center License. An interim policy is required until permanent rules are adopted by the board.

Policy Statement:
(1) A senior center license can only be issued to a nonprofit organization whose primary service is providing recreational and social activities for seniors on the licensed premises.

(2) The senior center license permits the sale of spirits by the individual glass, including mixed drinks and cocktails mixed on the premises only, beer and wine, at retail for consumption on the licensed premises.

(3) To qualify for the senior center license, the applicant must:

(a) Be a nonprofit organization under RCW 24.03.005;

(i)"Corporation" or "domestic corporation" means a corporation not for profit subject to the provisions of this chapter, except a foreign corporation.

(ii) "Foreign corporation" means a corporation not for profit organized under laws other than the laws of this state.

(iii) "Not for profit corporation" or "nonprofit corporation" means a corporation no part of the income of which is distributable to its members, directors or officers.

(b) Only serve alcohol between the hours of 6am and 2 am; and

(c) Provide limited food service anytime alcohol is sold. Limited food service means foods such as:

(i) appetizers;

(ii) sandwiches;

(iii) salads and soups;

(iv) pizza;

(v) hamburgers; and

(vi) fry orders.

(4) Alcohol may be sold and served at the following types of events;

(a) events hosted by the Senior Center; and

(b) private events where the facility is rented by a private party for an event such as a wedding reception, family reunion, etc.

(5) If minors are allowed on the premises and there is a lounge/bar area, a 42-inch high permanent barrier must be erected to restrict minors from the lounge/ area.

(6) All alcohol servers must have a valid mandatory alcohol server training permit.

(7) The annual fee for this license is seven hundred twenty dollars.

Washington State
Liquor Control Board

Revised Liquor Control Board Interim Policy BIP-06-2014

Subject: **Distilleries and Craft Distilleries**

Effective Date: June 12, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
SSB 6226 passed in the 2014 legislative session creating changes in the Distillery and Craft Distillery Licenses. An interim policy is required until permanent rules are adopted by the board.

Policy Statement:
(1) A distillery license allows the licensee to:

(a) Sell spirits of their own production directly to a licensed spirits distributor in the state of Washington and to a licensed spirits retailer in the state of Washington.

(b) Sell spirits of its own production for consumption off the premises. A distiller selling spirits under this subsection must comply with the applicable laws and rules relating to retailers;

(c) Provide free or for a charge one-half ounce or less samples of spirits of its own production to persons on the premises of the distillery.

i. Samples may be altered with ice or water only.
ii. The maximum total per person per day is two ounces.
iii. Every person who participates in any manner in the service of samples must obtain a class 12 alcohol server permit.

(d) Contract distilled spirits for, and sell contract distilled spirits to, holders of distillers' or manufacturers' licenses, including licenses issued under RCW 66.24.520, or for export.

(2) Contract production is when one distillery, referred to as the "contractor," produces distilled spirits for and sells contract distilled spirits to holders of a distillery license, or manufacturers' license including licenses issued under RCW 66.24.520, referred to as "contractee," and for export from the state. This distilled spirit is referred to as the "product."

(a) The contractee is the product owner. The contractee may handle the product under its license as RCW and WAC allow.

(b) The contractor is required to physically transport all contracted product to the contractee. The contractor is not allowed to distribute or retail the product.

(3) The contractor must submit a copy of the contract to the board prior to production. Any changes in the contract must also be submitted to the board prior to subsequent production. The board may require additional information.

(4) The contractor and contractee are required to obtain any federal approvals.

What does a craft distillery license allow? (1) A craft distillery license allows a licensee to:

(a) Produce one hundred fifty thousand proof gallons or less of spirits per calendar year. A "proof gallon" is one liquid gallon of spirits that is fifty percent alcohol at sixty degrees Fahrenheit;

(b) Sell spirits of its own production directly to a customer for off-premises consumption, provided that the sale occurs when the customer is physically present on the licensed premises. A craft distiller may not sell liquor products of someone else's production;

(c) Sell spirits of its own production to a licensed spirits distributor;

(d) Sell spirits of its own production to a licensed spirits retailer in the state of Washington;

(e) Sell to out-of-state entities;

(f) Provide, free or for a charge, samples of spirits of its own production to persons on the distillery premises. Each sample must be one-half ounce or less,

with no more than two ounces of samples provided per person per day. Samples may be altered with ice or water only, and anyone involved in the serving of such samples must have a valid Class 12 alcohol server permit. Samples must be in compliance with RCW 66.28.040;

(g) Provide samples of spirits of its own production to retailers. Samples must be unaltered, and in compliance with RCW 66.28.040, 66.24.310 and WAC 314-64-08001. Samples are considered sales and are subject to taxes;

(h) Contract produce spirits for holders of a distiller or manufacturer license.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-05-2014

Subject: **Class 16 Day Spa Permit**

Effective Date: June 12, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
ESSB 5045 passed in the 2014 legislative session creating a Day Spa Permit. An interim policy is required until permanent rules are adopted by the board.

Policy Statement:
(1) "Day Spa" is defined as a business that offers at least three of the following four service categories:

a) Hair care (haircut, hair color, perms, etc);
b) Skin care (facials, makeup application);
c) Nail care (manicure, pedicure); and
d) Body care (massage, wraps, waxing)

(2) The holder of a Class 16 Day Spa permit may offer complimentary wine or beer by the individual glass under the following conditions:

a) Customers must be at least twenty-one years of age;
b) Spa services must last more than one hour;
c) A customer may consume no more than one six ounce glass of wine or one twelve ounce glass of beer per day;
d) Employees involved in the service of wine or beer must complete a board approved limited alcohol server training program;
e) Permit holders may not advertise the service of complimentary wine or beer;

f) Wine and beer must be purchased from a Washington state licensed retailer;
g) The permit must be posted in a conspicuous area at the point of sale; and
h) At least three of the service area categories must be in a separate area of the spa.

(3) The board has the right to inspect the premises and business records at any time.

(4) The annual fee for this permit is one hundred twenty-five dollars.

(5) Where the holder of any permit issued under this title violates any provision of this title or of the regulations, or is an interdicted person, or is otherwise disqualified from holding a permit, the board, upon proof to its satisfaction of the fact or existence of such violation, interdiction, or disqualification, and in its discretion, may with or without any hearing, suspend the permit and all rights of the holder thereunder for such period as the board sees fit, or may cancel the permit.

Washington State
Liquor Control Board

Liquor Control Board Revised Interim Policy BIP-04-2014

Subject: Caterer's License

Effective Date: October 1, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
ESHB 2680 passed in the 2014 legislative session creating a Caterer's License. An interim policy is required until permanent rules are adopted by the board.

Policy Statement:
(1) A caterer's license allows the licensee to sell spirits, beer, and wine by the individual serving for consumption on the premises at a catered event location.
(2) The catered event location must be owned, leased, or operated by:

(a) The holder of the caterer's license; or

(b) The sponsor of the event for which the catering services are being provided.

(3) The caterer licensee is responsible for all areas of a location where alcohol is sold, served, consumed, or stored.
(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.

(a) A registered nonprofit holding a public or civic event may invite a caterer to provide alcohol service at a location within the parameters of the event.

(b) If attendance at the catered event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement in subsection (2) of this section does not apply.

(5) A spirits, beer, and wine caterer licensee must have the ability to serve at least eight complete meals. A commissary kitchen, licensed by the city and/or county health department, shall be maintained in a substantial manner as a place for preparing and cooking complete meals. The caterer licensee must maintain the kitchen equipment necessary to prepare the complete meals required under this section. The complete meals must be prepared at the licensed commissary kitchen premises. For the purposes of this title:

(a) "Complete meal" means an entrée and at least one side dish.

(b) "Entrée" means the main course of a meal. Some examples of entrées are fish, steak, chicken, pork, pasta, pizza, hamburgers, seafood salad, Cobb salad, chef's salad, sandwiches, and breakfast items (as long as they include a side dish). Entrées do not include snack items, or menu items which consist solely of precooked frozen food that is reheated, or consist solely of carry-out items obtained from another business.

(c) Examples of side dishes are soups, vegetables, salads, potatoes, french fries, rice, fruit, and bread.

(6) A beer and wine caterer licensee must have the ability to provide minimum food service. A commissary kitchen shall be maintained in a substantial manner as a place for preparing and cooking minimum food service. The caterer licensee must maintain the kitchen equipment necessary to prepare minimum food service required under this section. The minimum food service must be prepared at the licensed commissary kitchen premises. For purposes of this title:

"Minimum food service" means items such as sandwiches, salad, soup, hamburgers, pizza, and fry orders.

(7) The applicant must provide the liquor control board with a copy of their commissary kitchen license issued by the city or county health department.

(8) The licensee is required to send a list of scheduled catered events to their regional enforcement office on the first of each month. The licensee must provide the following information:

(a) Date of the catered events;

(b) Time of the catered events; and

(c) Place and location of catered events.

Any changes to the information provided to the board must be reported to the regional enforcement office seventy-two hours prior to the catered event.

(9) A caterer's license holder is not allowed to cater events at a liquor licensed premises.

(10) 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.

(11) All employees that sell or serve alcohol must hold MAST permits.

(12) The annual fee for the caterer's license is as follows:

(a) The annual fee for beer is two hundred dollars;

(b) The annual fee for wine is two hundred dollars; and

(c) The annual fee for a combined spirits, beer, and wine is one thousand dollars.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-10-2014

Subject: Spirits Sampling in Spirits Retail Licensed Premises

Effective Date: October 15, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:
The board will be entering into rulemaking to revise WAC 314-02-106 which lists the requirements for spirits sampling by spirits retail licensees. An interim policy is needed until a revision in the rules is adopted to allow spirits retail licensees to alter spirits samples with mixers in addition to ice and/or water.

Policy Statement:
Until superseded by rule, in order to be issued a spirits sampling endorsement, the licensee must meet the following criteria:

- Be a participant in the Responsible Vendor Program;
- The licensee has not had more than one public safety administrative violation within the last two years. The two year window is counted from two years prior to the date of the application for the spirits sampling endorsement. (See WAC 314-29-020 for a list of public safety violations.)
- Signs advertising spirits samplings may not be placed in the windows or outside of the premises that can be viewed from the public right of way.

Spirits samplings are to be conducted in the following manner:

- Spirits samplings service area and facilities must be located within the licensees fully enclosed retail area and must be of a size and design that the licensee can observe and control persons in the area.
- The licensee must provide a sketch of the sampling area. Fixed or moveable barriers are required around the sampling area to ensure that persons under 21 years of age and apparently intoxicated persons cannot possess or consume alcohol.
- Each sample may be no more than one-half ounce of spirits, and no more than a total of one and one-half ounces of spirits samples per person during any one visit to the premises.
- Spirit samples may be altered with mixers, ice, and/or water.
- The licensee must have food available for the sampling participants.
- Customers must remain in the service area while consuming samples.
- Spirits sampling activities are subject to RCW 66.28.305 and RCW 66.28.040.
- Employees serving beer and wine during tasting events must hold a class 12 server permit.

Licensees are also required to provide a sketch of the area where spirits samplings will be conducted. The sketch is to be included with the application for the spirits sampling endorsement.

Licensees are required to send a list of scheduled spirits samplings to their regional enforcement office at the beginning of each month. The date and time for each beer and wine tasting must be included.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-01-2015

Subject: Spirits Sampling at Distilleries and Craft Distilleries

Effective Date: March 11, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ruthann Kurose, Board Member

Russ Hauge, Board Member

Purpose:
The board will be entering into rulemaking to revise WAC 314-28-030 and WAC 314-28-050 which lists the requirements for spirits sampling by distillery and craft distillery licensees. An interim policy is needed until a revision in the rules is adopted to allow distilleries and craft distilleries to alter spirits samples with mixers in addition to ice and/or water.

Policy Statement:
Until superseded by rule, distilleries and craft distilleries must meet the following criteria to provide spirits samples:

- Provide free or for a charge one-half ounce or less samples of spirits of its own production to persons on the premises of the distillery.
- Samples may be altered with mixers, ice or water only.
- The maximum total per person per day is two ounces.
- Every person who participates in any manner in the service of samples must obtain a class 12 alcohol server permit.
- Samples must be in compliance with RCW 66.28.040.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-02-2015

Subject: **Non-Profit Arts Organization Licenses**

Effective Date: July 15, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ruthann Kurose, Board Member

Russ Hauge, Board Member

Purpose:
This interim policy is the result of a petition for rulemaking from a group of non-profit arts organization licensees. They are requesting permission to have alcohol consumption in their seating areas during performances. WAC 314-02-090 will be revised to allow this activity.

Policy Statement
At a non-profits arts organization licensed location, alcohol sales and consumption may occur:

- In the seating areas during performances, and
- In the lobby area and/or restricted bar area of the premises prior to the commencement of an exhibition or performance and during intermission.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-03-2015

Subject: **Special Winery Permit**

Effective Date: July 24, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ruthann Kurose, Board Member

Russ Hauge, Board Member

Purpose:
SSB 5596 created a winery permit for a manufacturer of wine. The permit becomes effective July 24, 2015. This interim policy will provide assistance and clarity to persons applying for the special winery permit until permanent rules can be adopted by the board.

Policy Statement
(1) The special winery permit is for domestic wineries.

(2) A special winery permit allows a manufacturer of wine to have an event not open to the general public at a specific place and date for the purpose of tasting wine and selling wine of its own production for off-premises consumption.

(3) The winery must obtain the special permit by submitting an application for a Class 18 Special Winery Permit to the board with a ten dollar permit fee.

- The application must be submitted to the board at least ten days prior to the event.
- The special permit must be posted at the event.

(4) The winery is limited to twelve events per calendar year.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-04-2015

Subject: **Special Distillery/Craft Distillery Permit**

Effective Date: July 24, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ruthann Kurose, Board Member

Russ Hauge, Board Member

Purpose:
SSB 5353 created a distillery/craft distillery permit for a manufacturer of spirits. The permit becomes effective July 24, 2015. This interim policy will provide assistance and clarity to persons applying for the special distillery/craft distillery permit until permanent rules can be adopted by the board.

Policy Statement
(1) A special distillery/craft distillery permit is for Washington distillers only.

(2) A special distillery/craft distillery permit allows a manufacturer of spirits to have an event not open to the general public at a specific place and date for the purpose of tasting spirits and selling spirits of its own production for off-premises consumption.

(3) The distillery or craft distillery must obtain the special permit by submitting an application for a Class 19 Special Distillery/Craft Distillery Permit to the board with a ten dollar permit fee.

- The application must be submitted to the board at least ten days prior to the event.
- The special permit must be posted at the event.

(4) The licensee is limited to twelve events per calendar year.

Washington State
Liquor and Cannabis Board

Liquor and Cannabis Board Revised Interim Policy BIP-06-2015

Subject: **Beer and Cider Growler Sales in Grocery Stores**

Effective Date: August 26, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

8-26-15
Jane Rushford, Chairman

8/26/15
Ruthann Kurose, Board Member

8/26/15
Russ Hauge, Board Member

Purpose:
SSB 5280 created an endorsement for grocery store licensees to allow the sale of beer and cider growlers for off-premises consumption. The bill becomes effective July 24, 2015. This interim policy will provide assistance and clarity to persons applying for the endorsement until permanent rules can be adopted by the board.

Policy Statement
(1) The endorsement is for grocery store licensees.

(2) The licensee must have sales from beer and wine exceeding 50% of their total revenues or maintain an alcohol inventory of not less than 15,000.

(3) Beer and cider must be sold in sanitary containers provided by the purchaser, licensee or the manufacturer.

(4) The taps must be located behind a counter where only employees have access or the taps must have locks preventing use unless unlocked and operated by an employee.

(5) Only employees of the licensee are permitted to operate the taps.

(6) All employees operating a tap must hold a class 12 alcohol server permit.

(7) The cost for the endorsement is one hundred twenty dollars.

Washington State
Liquor Control Board

Liquor Control Board Interim Policy BIP-07-2015

Subject: **Spirits Retailer Licenses**

Effective Date: July 24, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Rutharm Kurose, Board Member

Russ Hauge, Board Member

Purpose:
ESSHB 1807 created changes in the way spirits retailers authorized to sell spirits for off premises consumption can order and have spirits delivered by a distributor. The bill becomes effective July 24, 2015. This interim policy will provide assistance and clarity to spirits retail licensees and distributors until permanent rules can be adopted by the board.

Policy Statement
(1) This policy affects spirits retail licensees and spirits distributors.

(2) Spirits retail licensees may have spirits product delivered to their individual licensed premises, at any other spirits retail licensed premises, or at a warehouse facility registered with the board.

(3) Spirits retail licensees may negotiate a volume discount price with a spirits distributor to order spirits product as a group and have all product delivered to one spirits retail licensed premises.

(4) Spirits distributors may accept a group order for spirits and deliver to one spirits retail licensed premises and collect individual checks for payment from each spirits retail licensee that participated in the group order.

(5) Each spirits retail licensee will pick up their spirits product from the spirits retail licensed premises where the spirits product was delivered.

Washington State
Liquor and Cannabis Board

Liquor and Cannabis Board Interim Policy BIP-08-2015

Subject: **Beer/Wine gift Delivery License**

Effective Date: October 7, 2015

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ruthann Kurose, Board Member

Russ Hauge, Board Member

Purpose:
The Beer/Wine Gift Delivery license allows a business that is primarily engaged in the retail sale of gifts or flowers to deliver beer and/or wine in bottles or original packages. The beer or wine must be delivered in conjunction with the gifts or flowers. Many of the orders are placed via the internet. The board has in the past allowed internet sales for holders of this license but there are currently no rules that outline the requirements for this practice. Becky Smith, Licensing Director, has asked for an interim policy and rules to outline the requirements for internet sales and delivery of beer and wine.

Policy Statement

Consumer orders, internet sales, and delivery for beer and/or wine gift delivery licenses.

A beer and/or wine gift delivery licensee may accept orders for beer or wine from, and deliver beer or wine to, customers.

(1) **Resale.** Beer and wine shall not be for resale.

(2) **Stock location.** Beer and wine must come directly from the licensed beer/wine gift delivery retail location.

(3) **How to place an order.** Beer and wine may be ordered in person at a licensed location, by mail, telephone or Internet, or by other similar methods.

(4) **Sales and payment.**

(a) Only a licensee or a licensee's direct employees may accept and process orders and payments. A contractor may not do so on behalf of a licensee, except for transmittal of payment through a third-party service. A third-party service may not solicit customer business on behalf of a licensee.

(b) All orders and payments shall be fully processed before liquor transfers ownership or, in the case of delivery, leaves a licensed premises.

(c) *Payment method.* Payment methods include, but are not limited to: Cash, credit or debit card, check or money order, electronic funds transfer, or an existing prepaid account. An existing prepaid account may not have a negative balance.

(d) *Internet.* To sell beer and wine via the internet, a new license applicant must request internet-sales privileges in his or her application. An existing licensee must notify the board prior to beginning internet sales. A corporate entity representing multiple stores may notify the board in a single letter on behalf of affiliated licensees, as long as the liquor license numbers of all licensee locations utilizing internet sales privileges are clearly identified.

(5) **Delivery location.** Delivery shall be made only to a residence or business that has an address recognized by the United States postal service; however, the board may grant an exception to this rule at its discretion. A residence includes a hotel room, a motel room, or other similar lodging that temporarily serves as a residence.

(6) **Hours of delivery.** Beer and wine may be delivered each day of the week between the hours of six a.m. and two a.m. Delivery must be fully completed by two a.m.

(7) **Age requirement.**

(a) Per chapter 66.44 RCW, any person under twenty-one years of age is prohibited from purchasing, delivering, or accepting delivery of beer and wine.

(b) A delivery person must verify the age of the person accepting delivery before handing over beer and wine.

(c) If no person twenty-one years of age or older is present to accept a beer and wine order at the time of delivery, the beer and wine shall be returned.

(8) **Intoxication.** Delivery of beer and wine is prohibited to any person who shows signs of intoxication.

(9) **Containers and packaging.**

(a) Individual units of beer and wine must be factory sealed in bottles, cans or other like packaging. Delivery of growlers, jugs or other similar, nonfactory-sealed containers is prohibited. Delivery of malt liquor in kegs or other containers capable of holding four gallons or more of liquid is allowed, provided that kegs or containers are factory sealed and that the keg sales requirements (see WAC 314-02-115) are met prior to delivery. For the purposes of this subsection, "factory sealed" means that a unit is in one hundred percent resalable condition, with all manufacturer's seals intact.

(b) The outermost surface of a beer and wine package, delivered by a third party, must have language stating that:

(i) The package contains liquor;

(ii) The recipient must be twenty-one years of age or older; and

(iii) Delivery to intoxicated persons is prohibited.

(10) **Required information.**

(a) Records and files shall be retained at a licensed premises. Each delivery sales record shall include the following:

(i) Name of the purchaser;

(ii) Name of the person who accepts delivery;

(iii) Street addresses of the purchaser and the delivery location; and

(iv) Times and dates of purchase and delivery.

(b) A private carrier must obtain the signature of the person who receives beer and wine upon delivery.

(c) A sales record does not have to include the name of the delivery person, but it is encouraged.

(11) **Web site requirements.** When selling over the internet, all web site pages associated with the sale of beer and wine must display a licensee's registered trade name.

(12) **Accountability.** A licensee shall be accountable for all deliveries of beer and wine made on its behalf.

(13) **Violations.** The board may impose administrative enforcement action upon a licensee, or suspend or revoke a licensee's delivery privileges, or any combination thereof, should a licensee violate any condition, requirement or restriction.

Washington State
Liquor and Cannabis Board

Liquor and Cannabis Board Interim Policy BIP-05-2016

Subject: **Use of Internet or Mobile Applications to Purchase Alcohol**

Effective Date: November 2, 2016

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chairman

Ollie Garret, Board Member

Purpose:
The purpose of this interim policy is to allow retail customers to use internet sites or mobile applications to purchase alcohol to be delivered to the customer.

Drizly requested approval to make their mobile application available to customers in Washington State. Drizly provides the internet ordering interface, but the liquor licensed retailer chooses what products to list for sale, what price to charge for the products, takes the order, processes the credit card payment, and makes the delivery. In 2014 board staff informally approved Drizly's operation in Washington State.

RCW 66.28.050 clearly prohibits solicitation of orders on behalf of a licensee without a gift delivery license, a representative's license or a certificate of approval, but the intent of the language refers to solicitations by persons on behalf of wholesalers.

There is a prohibition in Chapter 314-03 WAC on third party solicitation of customer business for a liquor licensed business. The language in WAC 314-03-020 through 040 was drawn from RCW 66.28.050, which the board finds is not applicable to the solicitation of sales by retailers to individuals. Rulemaking will be opened today to revise the rules for internet sales and delivery to include language that internet or mobile applications such as Drizly are allowed.

Policy Statement
(1) The use of internet or mobile applications for retail customers to purchase alcohol in Washington State are allowed under the following conditions:

- The internet sale will be made by the liquor licensee;

- The payment for the sale will be processed by the liquor licensee;
- The delivery of alcohol product must comply with the requirements of the rules in chapter 314-03 WAC; and
- The liquor licensee pays the owner of the internet or mobile application a service fee.