



Washington State Liquor and Cannabis Board

To: David Postman, Board Chair
Ollie Garrett, Board Member
Russ Hauge, Board Member

From: Kathy Hoffman, Policy and Rules Manager

Date: October 13, 2021

Copy: Rick Garza, Agency Director
Toni Hood, Deputy Director
Justin Nordhorn, Policy and External Affairs Director
Becky Smith, Licensing and Regulation Director
Chandra Brady, Director of Enforcement and Education

Subject: Request for approval to rescind Board Interim Policy (BIP) 08-2011 concerning the definition of “wine of its own production” as referenced in RCW 66.24.170 for a specific circumstance.

On August 17, 2011, the Board approved an interim policy that created a definition of “wine of its own production” for specific circumstances as it relates to the privileges granted a Washington domestic winery under RCW 66.24.170.

This interim policy was issued in response to a licensed Washington winery operator who also operated a licensed Oregon winery. Both wineries operated within the same TTB-authorized Walla Walla, Washington appellation, but the wine production of the two wineries occurred in Oregon. The licensee indicated an inability to sell the products produced in Oregon at the Washington winery location, and although authorized to operate a second location in Washington, the location was not able to retail or allow tasting of its Oregon-produced wine in Washington, even though the wine was produced under the same ownership and within the same appellation.

As a result of these and other regulatory requirements, the owner had three separate business entities with separate reporting requirements to multiple state agencies, along with associated administrative burden. The interim policy was designed to ease some of this burden.

The interim policy statement provided that as long as certain conditions were satisfied, a winery holding a valid license in both Washington and Oregon could market and distribute wine produced in Oregon using their license in Washington as the premise for transactions. These included LCB approval to market and retail Oregon products in Washington retail facilities, confirmation of a valid Oregon winery license, and confirmation of tax payment consistent with statutory requirements.

The language of this policy was incorporated into WAC 314-24-265 filed as WSR 18-02-006, filed on December 20, 2017, and effective January 20, 2018. For these reasons, BIP 08-2011 is no longer necessary.

If the Board approves rescission of BIP 08-2011 the agency will send notice to stakeholders, and remove the BIP from the LCB website.

The Board approves/disapproves the rescission of BIP 08-2011.

_____ Approve	_____ Disapprove	_____	_____
		David Postman, Chair	Date

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

_____ Approve	_____ Disapprove	_____	_____
		Russ Hauge, Board Member	Date