# Topics and Trends

News and tips for the industries we regulate

## Special Private Event Permit for Wineries, Distilleries, or Breweries

There is a special private event permit for winery, distillery, craft distillery, or brewery licensees that allows them to provide samples and sell bottles of their **own production**. If you are interested in holding a Special Private Event, please keep in mind:

- The event must not be advertised or open to the general public.
- Advertising includes, but is not limited to: print media, social media, or posting on a public website.
- Only one licensee may participate at the event.
- If the event is held at a location licensed to sell liquor, that establishment is prohibited from selling liquor while the event takes place.
- Applications for the event permit must be submitted 10 days before the event.



• The permit must be posted in a conspicuous place at the event location, throughout the event.

The fee for the permit is \$10 per one-day event, and is limited to no more than 12 permits each year. Find the application for special private events here.

#### **News for Distilleries**

The LCB adopted final rules implementing legislation from 2020 (E2SSB 5549) on May 12, 2021. These rules took effect June 12, 2021. E2SSB 5549 modified the privileges and requirements for distillery and craft distillery licenses and established a new off-site tasting room license. In addition, the bill authorized jointly operated off-site tasting rooms for distilleries and wineries, and jointly operated, conjoined consumption areas for distilleries, wineries, and breweries.

To learn more, see: <u>Concise Explanatory Statement, CR-103and Final Rules Filed as WSR 21-13-026</u> on May 12, 2021, <u>Memorandum.</u>

### News Rules Revising Distillery Reporting Requirements.

The LCB adopted final rules revising distillery and craft distillery reporting and payment requirements on June 9, 2021. These rules take effect July 10, 2021. The final rules remove all reporting and payment requirements for distilleries and craft distilleries by repealing WAC 314-28-070 and 314-28-080 and amending several other rule sections. The rule changes are consistent with the Court of



Appeals decision in Blue Spirits Distilling, LLC v. LCB, issued on Dec. 22, 2020, which held that LCB rules requiring distillers to pay spirits retailer licensing fees when they acted as spirits retailers were invalid.

To learn more, see: <u>Concise Explanatory Statement, CR-103 and Final Rules</u> Filed as WSR 21-13-026 on June 9, 2021, <u>Memorandum.</u>

#### **Changes in COVID-19**

On June 30 or sooner (if the state reaches 70% vaccination coverage), most business restrictions will be lifted. You can find out more on the state's website.

While the state restrictions are likely to be lifted on June 30, the LCB Legal/Policy Team is currently discussing the allowances made during this period. With the exception of allowances currently in rulemaking or codified into law, most allowances will likely end July 31, 2021.

We will soon communicate the ending date for each allowance. Please be sure to check all messages from LCB.



### Tips for Liquor License Applications

It's the busy season for liquor license applications. Here are a few tips to help you navigate the process:

The LCB processes applications in the order in which they arrive from the Department of Revenue Business Licensing Services (BLS). It

takes us a few days to get the application from BLS. Once we receive it, you will get an email from Customer Service stating we received your application. It is then assigned to a licensing specialist who will reach out via e-mail or phone to set up your initial interview.

- If you have not heard from a licensing specialist a few days after the first e-mail, call Customer Service at 360-664-1600.
- Our goal is to process all applications in 90 days; most are processed in much less time. If you apply 90 days before you need your license, plan to move, or want to make other changes to your license, it will help reduce worries about start-up delays.
- We can process electronic documents faster than paper copies. If you have privacy concerns, emailed documents can be sent using a password-protected file. Please ask your licensing specialist for more details.
- Currently, the LCB headquarters is closed to the public and licensees. Most staff are working remotely. Please send documents electronically whenever possible. If you do need to send them by a carrier, like the postal service, FedEx, or UPS, please let your licensing specialist know so we are aware of when to pick them up.

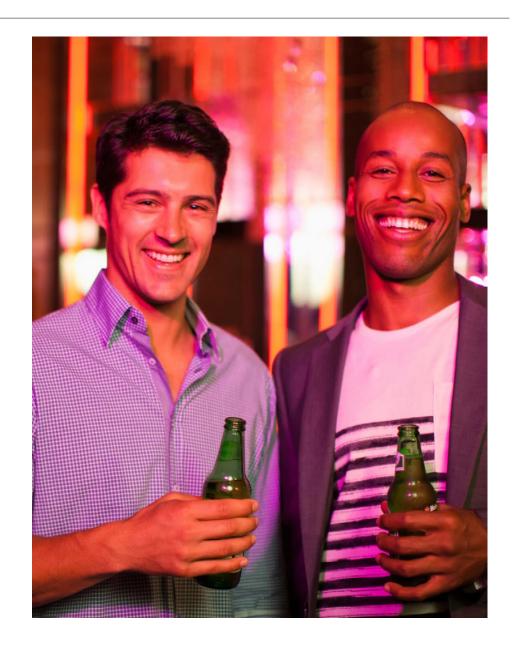


 We want to work with you to have a smooth licensing process. If you do not meet the submission deadlines and/or stop communicating with your specialist your application may be administratively closed. To avoid starting the process over, let your licensing specialist know if you are experiencing issues that may create delays.

### Nightclub Conversions – Converting Back After COVID-19 Restrictions?

In response to COVID restrictions, the LCB worked with many closed nightclubs who could meet the food service requirements to convert them to Spirts/Beer/Wine Restaurant Licenses or Beer/Wine Restaurant Licenses.

If your nightclub converted to a restaurant and you would like to revert back to your original license, please reach out to us via the retail licensee e-mail: <a href="mailto:customerservicelicensing@lcb.wa.gov">customerservicelicensing@lcb.wa.gov</a>.



## Alcohol-Related Legislation: What Happened in the Legislature this Year?

During the recent legislative session, several bills related to wineries, distilleries and the allowances related to COVID-19. You can find facts sheet summaries <a href="here">here</a>.

If you have questions about them, please feel free to get in touch with Chris Thompson <a href="here">Chris.Thompson@lcb.wa.gov</a>.



## LCB Holds Second Annual Gathering with Public Health and Prevention Professionals

The second statewide LCB Prevention Roundtable was held Thursday, June 3, with nearly 90 prevention and public health professionals from across the state in attendance. Discussion topics included the interplay of state and local cannabis regulations, edible cannabis products and appealing to youth, COVID-19 alcohol allowances, and how to engage with LCB. LCB's Rules Coordinator Audrey



Vasek talked about currently open rulemaking and gave participants resources on how to take part in rulemaking. A planning team of prevention and public health partners developed the agenda and co-facilitated the event with LCB's Public Health Liaison, Sara Cooley Broschart. The first LCB Prevention Roundtable was in Spokane in January of 2019. Since then there have been two regional and one statewide event each year. The goals of these roundtables are 1) Build relationships between LCB Leadership and Prevention/Public Health communities; 2) Address questions and issues at the regional level; 3) Provide a forum for Prevention/Public Health to share experiences, input, and/or knowledge with LCB; and 4) Establish regular mechanisms for outreach. The locations for the 2021 regional Roundtables have not yet been identified, but they will take place in the fall.

#### **Updates on Rules and Rulemaking**

As rules get drafted, modified, and implemented, there are many chances and ways to provide input. To sign up for email notifications regarding LCB Rulemaking, please <u>follow this link to join</u> our GovDelivery subscriber list. You can also view <u>a webpage</u> explaining the rulemaking process and rules in progress.

Questions about the rules in progress or rulemaking process? Email <u>rules@lcb.wa.gov</u>

 $Promote\ public\ safety\ and\ trust\ through\ fair\ administration\ and\ enforcement\ of\ liquor,\ cannabis,\ tobacco,\ and\ vapor\ laws.$ 

-WSLCB Mission Statement

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