



RULE-MAKING ORDER PERMANENT RULE ONLY

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

CODE REVISER USE ONLY

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STATE OF WASHINGTON
FILED

DATE: December 09, 2020

TIME: 10:28 AM

WSR 21-01-057

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: Chapter 314-38 WAC – Permits. The Washington State Liquor and Cannabis Board (WSLCB) has adopted revisions to existing permit rules to update, modernize, and clarify existing language. The WSLCB has also adopted revisions to WAC 314-38-060 to align existing rules with and implement the law as established by Engrossed House Bill (EHB) 1563 (Chapter 112, Laws of 2019), concerning special permits for alcohol tastings by students at least eighteen years of age enrolled in certain degree-related programs at community or technical colleges, regional universities, or state universities.

Citation of rules affected by this order:

New:

Repealed: WAC 314-38-010

Amended: WAC 314-38-020, 314-38-030, 314-38-040, 314-38-050, 314-38-060, 314-38-070, 314-38-080, 314-38-090, 314-38-095, 314-38-100, 314-38-110

Suspended:

Statutory authority for adoption: RCW 66.08.030.

Other authority:

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 20-20-039 on September 30, 2020 (date).

Describe any changes other than editing from proposed to adopted version: There were no changes from the proposed rules to the adopted rules.

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

Name: Audrey Vasek

Address: 1025 Union Avenue SE, Olympia WA 98501

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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Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____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	1	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	11	Repealed	<u>1</u>
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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	11	Repealed	1

Date Adopted: December 9, 2020

Name: Jane Rushford

Title: Chair

Signature:



WAC 314-38-020 Permits—Fees established. The fees for permits authorized under RCW 66.20.010 and 66.20.400 are ~~((hereby))~~ established as follows:

(1) ~~((A))~~ The fee ~~((of five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(1) is five dollars.

(2) The fee for a special permit ~~((as))~~ authorized by RCW 66.20.010(2) for purchase of five gallons or less is ~~((established as))~~ five dollars and for purchase of over five gallons is ~~((established as))~~ ten dollars.

(3) ~~((A))~~ The fee for a banquet permit ~~((as))~~ authorized by RCW 66.20.010(3) ~~((as))~~ is established in WAC 314-18-040.

(4) The fee for a special business permit ~~((as))~~ authorized by RCW 66.20.010(4) ~~((as))~~ is established in WAC ~~((314-38-010(2)))~~ 314-38-050.

(5) The fee ~~((of ten dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(5) is ten dollars.

(6) ~~((A))~~ The fee ~~((of five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(6) is five dollars.

(7) There is no fee for a special permit ~~((as))~~ authorized by RCW 66.20.010(7) ~~((shall be issued without charge to those eligible entities)).~~

(8) The fee ~~((of twenty-five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(8) is twenty-five dollars.

(9) The fee ~~((of twenty-five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(9) is twenty-five dollars.

(10) The fee ~~((of thirty dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(10) is thirty dollars.

(11) The fee ~~((of seventy-five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(11) is seventy-five dollars.

(12) There is no fee for a special permit authorized by RCW 66.20.010(12).

~~((13))~~ The fee ~~((of ten dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(13) is ten dollars.

~~((13))~~ (14) The fee ~~((of ten dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(14) is ten dollars.

~~((14))~~ (15) The fee ~~((of ten dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(15) is ten dollars.

~~((15))~~ (16) The fee ~~((of twenty-five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(16) is twenty-five dollars.

~~((16))~~ (17) The fee ~~((of twenty-five dollars is established))~~ for a special permit ~~((as))~~ authorized by RCW 66.20.010(17) is twenty-five dollars for each winery selling wine at the auction.

(18) The fee for a day spa permit authorized by RCW 66.20.400 is established in WAC 314-38-070.

AMENDATORY SECTION (Amending WSR 83-23-123, filed 11/23/83)

WAC 314-38-030 Fee for replacement of a lost or destroyed license or permit. (1) ((A)) The fee ((of five dollars is established)) for replacement by the board of a lost or destroyed ((agent's)) representative's license issued pursuant to RCW 66.24.310 is five dollars.

(2) The fee ((of five dollars is established)) for replacement by the board of a lost or destroyed retail or wholesale liquor license of any class is five dollars.

AMENDATORY SECTION (Amending WSR 92-01-079, filed 12/16/91, effective 1/16/92)

WAC 314-38-040 ((Beverage)) Alcohol raffle permit—Fee. (1) Any organization authorized to conduct a raffle under RCW 9.46.0315 may raffle ((beverage)) alcohol upon obtaining a raffle permit from the board. The fee for a raffle permit ((shall be)) is ten dollars for a one-time raffle permit or twenty-five dollars for an annual permit.

(2) An application for a raffle permit ((shall be on a form prescribed by the board and filed with the board at the headquarters of office in Olympia)) must be submitted at least thirty days in advance of ((the commencement of)) ticket sales.

(3) An application for a raffle permit must contain the following information:

(a) The full name of the bona fide charitable or bona fide non-profit organization with verification of qualification as ((prescribed)) referenced in RCW 9.46.0209;

(b) The name, address, and phone number of the ((organization)) organization's officer in charge of the raffle;

(c) The date the raffle ticket sales will ((commence)) begin;

(d) The date, time, and exact location of the drawing;

(e) A description of the ((beverage)) alcohol being raffled including its estimated value; and

(f) ((And)) The source of the alcohol to be raffled (purchased at retail or donated by a private citizen).

(4) An ((organization)) organization's officer must certify that:

(a) Only organization members may purchase tickets or be awarded prizes;

(b) The organization meets the qualifications of a bona fide charitable or bona fide nonprofit organization ((as provided in)) under RCW 9.46.0209;

(c) The organization will not sell more than ((\$5,000)) five thousand dollars ((worth)) of raffle tickets in a calendar year; and

(d) The organization will not sell raffle tickets to anyone under twenty-one years of age when alcohol is awarded as a prize.

(5) Alcohol to be raffled must have all applicable Washington State taxes paid and may only be:

(a) Purchased at retail; or

(b) Donated by a private citizen.

(6) ((Upon application being filed and fee paid the board may issue a raffle permit.)) The issued raffle permit will ((state the)) include:

- (a) The organization name (~~(b)~~) and address (~~(c)~~);
- (b) The date and time of the drawing (~~(d)~~);
- (c) The effective dates of the raffle permit (~~(e)~~); and
- (d) A description of the alcohol to be raffled.

(7) The raffle permit (~~shall~~) must be posted at the location of the drawing prior to and during the drawing. The organization or person in charge of the raffle (~~shall; when requested by~~) must allow any representative (~~(or agent)~~) of either the board (~~(and/or)~~) or any law enforcement officer (~~(; exhibit to such person the raffle permit and shall allow such person)~~), or both, to inspect the raffle permit and raffle items at any time.

AMENDATORY SECTION (Amending WSR 12-17-006, filed 8/1/12, effective 9/1/12)

WAC 314-38-050 Special permit to serve employees and guests
((permit))—Purpose—Use—Fee. (1) (~~The purpose of a serve employees and guests permit as~~) Businesses that are not licensed under Title 66 RCW may apply for a special permit authorized by RCW 66.20.010(4) (is to:

~~(a) Allow for the consumption of liquor products in private businesses; and~~

~~(b) Not to compete with liquor licensed establishments.~~

~~(2) All liquor served by holders of a serve employees and guests permit must be purchased at retail from the board or a retail liquor licensee.~~

~~(3) Liquor may not be sold by holders of a serve employees and guests permit, but may be provided at no charge for consumption on the premises of the permit holder.~~

~~(4) The holder of a serve employees and guests permit) to serve alcohol free of charge to employees and invited guests of the business.~~

(2) The annual fee for each permit is five hundred dollars.

(3) A separate permit is required for each business premises at which alcohol will be served or consumed.

(4) A permit is not transferable to another business or organization.

(5) A permit is valid for twelve months from the first day of the month in which it is issued.

(6) Permits may only be issued to businesses at which the service and consumption of alcohol is incidental to, and is not part of, the service of the business.

(7) The permit may not be used to stimulate or increase business from the general public.

(8) All alcohol served by permit holders must be purchased at retail from a Washington state retail liquor licensee.

(9) Alcohol service and consumption must be limited to either hospitality rooms or dining rooms, or both, on the premises of the permit holder's business.

(10) The general public may not enter an area of the business where alcohol is being served or consumed.

(11) Permit holders may not charge for admission to an area where alcohol is being served.

(12) Permit holders may not advertise the service of alcohol.

(13) Alcohol may not be sold by permit holders, including by scrip, donation, contribution, or other means.

(14) Permit holders may serve (~~liquor~~) alcohol for no more than twenty-four hours during any weekly (~~(168)~~) one hundred sixty-eight hour period.

~~((5) While the serve employees and guests permit holder may advertise their business services, no liquor service shall be advertised.)~~ (15) Consistent with RCW 66.20.070, failure to comply with applicable laws and rules may result in the suspension or cancellation of the permit.

AMENDATORY SECTION (Amending WSR 16-01-102, filed 12/16/15, effective 1/16/16)

WAC 314-38-060 Special permit for (~~technical or~~) community or technical colleges, regional (~~university~~) universities, or state (~~university as authorized by RCW 66.20.010(12) shall be called a class 15 permit~~) universities. (1) ~~((The class 15 permit allows tasting of alcohol by persons between eighteen and twenty years old. The requirements for a class 15 permit are as follows:~~

~~(a) The permit applicant is a technical or community college, regional university, or state university;~~

~~(b) The permit allows tasting, not consuming of alcohol)~~ Community or technical colleges, regional universities, or state universities may apply for a special permit authorized by RCW 66.20.010(12) to allow tasting of alcohol by persons at least eighteen years of age who are enrolled as students in a required or elective class that is part of a culinary, sommelier, wine business, enology, viticulture, wine technology, beer technology or spirituous technology-related degree program.

(2) Students at least eighteen but under twenty-one years of age may not consume or purchase alcohol, but may taste alcohol for the purposes of educational training as part of the class curriculum with approval of the educational provider(;

~~(c) The student must be enrolled in a required or elective class at the college premises as part of a culinary, sommelier, wine business, enology, viticulture, beer technology, wine technology, or spirituous technology-related degree program;~~

~~(d) The alcohol served to any person in the program under twenty-one years of age is tasted but not consumed for the purpose of educational training as part of the class curriculum with the approval of the educational provider;~~

~~(e) Faculty or staff of the educational provider must be at least twenty-one years of age, supervise the service and tasting, and hold a class 12 or class 13 alcohol server permit; and~~

~~(f) Students may not purchase the alcoholic beverages).~~

(3) Tastings may occur on the premises of the college or university at which the student is enrolled or while on a field trip to a grape-growing area or production facility.

(4) All tastings must be done under the supervision of a faculty or staff member of the college or university who is at least twenty-one years of age and possesses a class twelve or thirteen alcohol server permit under the provisions of RCW 66.20.310.

~~((2))~~ (5) There is no ~~((annual))~~ fee for this permit.

AMENDATORY SECTION (Amending WSR 14-20-046, filed 9/24/14, effective 10/25/14)

WAC 314-38-070 ((Class-16)) Day spa permit—Fee. (1) The annual fee for a day spa permit authorized by RCW 66.20.400 is one hundred twenty-five dollars.

(2) "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))~~ (3) 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 separate areas of the spa.

~~((3))~~ (4) 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.))~~ Consistent with RCW 66.20.070, failure to comply with applicable laws and rules may result in the suspension or cancellation of the permit.

AMENDATORY SECTION (Amending WSR 17-08-099, filed 4/5/17, effective 5/6/17)

WAC 314-38-080 ((Class-18)) Special winery permit. (1) ~~((The special winery permit is for))~~ Domestic wineries may apply for a special permit authorized by RCW 66.20.010(14).

(2) ~~((A special winery))~~ The permit allows a manufacturer of wine to be present at a private 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 on-premises and 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.~~

~~((a-))~~ The application and fee must be submitted to the board at least ten days prior to ((the)) each event.

~~((b-))~~ (4) The special permit must be posted at the event.

~~((4-))~~ (5) The winery is limited to twelve events per calendar year.

AMENDATORY SECTION (Amending WSR 17-08-099, filed 4/5/17, effective 5/6/17)

WAC 314-38-090 ((Class-19)) Special distillery permit. (1) ~~((A special distillery/craft distillery permit is for))~~ Washington ((distillers only)) distilleries or craft distilleries may apply for a special permit authorized by RCW 66.20.010(13).

(2) ~~((A special distillery/craft distillery))~~ The permit allows a manufacturer of spirits to be present at a private 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 on-premises and off-premises consumption.

(3) The activities at the event are limited to the activities allowed on the distillery((=)) or craft distillery premises.

(4) ~~((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.~~

~~((a-))~~ The application and fee must be submitted to the board at least ten days prior to ((the)) each event.

~~((b-))~~ (5) The special permit must be posted at the event.

~~((5-))~~ (6) The licensee is limited to twelve events per calendar year.

AMENDATORY SECTION (Amending WSR 17-08-099, filed 4/5/17, effective 5/6/17)

WAC 314-38-095 ((Class-20)) Special brewery permit. (1) ~~((A special brewery/microbrewery permit is for Washington brewers only))~~ Domestic breweries and microbreweries may apply for a special permit authorized by RCW 66.20.010(15).

(2) (~~(A special brewery/microbrewery)~~) The permit allows a manufacturer of beer to be present at a private event not open to the general public at a specific place and date for the purpose of tasting beer and selling beer of its own production for on-premises and off-premises consumption.

(3) (~~(The brewery or microbrewery must obtain the special permit by submitting an application for a class 20 special brewery/microbrewery permit to the board with a ten dollar permit fee.~~

~~(a))~~) The application and fee must be submitted to the board at least ten days prior to (~~(the)~~) each event.

~~((b))~~) (4) The special permit must be posted at the event.

~~((4))~~) (5) The licensee is limited to twelve events per calendar year.

AMENDATORY SECTION (Amending WSR 17-08-099, filed 4/5/17, effective 5/6/17)

WAC 314-38-100 Accommodation sale permit. (1) An accommodation sale permit (~~(is for)~~) authorized by RCW 66.20.010(16) allows an individual or business to sell a private collection of wine or spirits to another individual or business.

(2) The seller must (~~(complete)~~) submit an application (~~(for accommodation sale permit and submit with a fee of twenty-five dollars)~~) and twenty-five dollar fee to the (~~(WSLCB)~~) board.

(3) Once the (~~(WSLCB)~~) board verifies the information on the application, a permit for the sale will be issued to the seller.

(4) The seller must wait at least five business days after receiving the permit to release either the wine (~~(and/or)~~) or spirits, or both, to the buyer.

(5) Within twenty calendar days of the sale, the seller must complete an accommodation sale inventory report and submit it to the (~~(WSLCB)~~) board.

(6) The following are definitions for the purposes of this section:

(a) "Accommodation sale" means the sale of a private collection of wine or spirits to an individual or business. Both the seller and the buyer must be located in Washington state.

(b) "Buyer" means the individual or business buying a private collection of wine or spirits. A buyer may be a liquor licensee.

(c) "Private collection" means a privately owned collection of wine or spirits. There is no minimum or maximum quantity to be considered a collection.

(d) "Seller" means the individual or business selling a private collection of wine or spirits. The seller cannot be a liquor licensee.

AMENDATORY SECTION (Amending WSR 18-04-116, filed 2/7/18, effective 3/10/18)

WAC 314-38-110 Nonprofit private wine auction permit. (1) A nonprofit private wine auction permit (~~(is for)~~) authorized under RCW

