



## CR 101 Memorandum

**Re: Implementation of alcohol-related 2020 legislation.**

Date: July 22, 2020

Presented by: Audrey Vasek, Policy and Rules Coordinator

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### Background

During the 2020 legislative session, several alcohol-related bills were enacted, including House Bill (HB) 2412 (chapter 230, Laws of 2020), Engrossed Substitute Senate Bill (ESSB) 5006 (chapter 186, Laws of 2020), Engrossed Substitute Senate Bill (ESSB) 6095 (chapter 200, Laws of 2020), and Substitute Senate Bill (SSB) 6392 (chapter 210, Laws of 2020).

### Reasons Why Rules Are Needed

Rules may be needed to implement the provisions of HB 2412, ESSB 5006, ESSB 6095, and SSB 6392.

HB 2412 increases the number of retail liquor licenses that a licensed domestic brewery or microbrewery may hold from two to four, and exempts licensed domestic breweries and microbreweries from certain keg registration and identification requirements. Existing rule sections may need to be amended in order to align existing rule language with the changes made to statute by HB 2412.

ESSB 5006 creates a new type of endorsement that allows a licensed domestic winery to sell beer by the single serving for on-premises consumption and allows a licensed domestic brewery or microbrewery to sell wine by the single serving for on-premises consumption, under certain circumstances. New rule sections may be needed to establish this endorsement.

ESSB 6095 makes changes to the interstate common carrier license and creates new exceptions to the money or moneys' worth restrictions under the three-tier system for alcohol regulation. Existing rule sections may need to be amended and a new rule section may need to be created in order to align the existing rule language with the changes made to statute by ESSB 6095.

SSB 6392 creates a new type of license for local wine associations, and a new rule section may be needed to establish this license.

## **Process**

The rule making process begins by announcing LCB's intent to consider changes to existing rules, adding new rule sections, or both by filing a CR 101 form with the Office of the Code Reviser. This allows staff, stakeholders, industry partners, and all members of the authorizing environment to begin discussing proposed rule changes. At the CR 101 stage of the rulemaking process, no proposed language is offered. Any interested party may comment on the subject of this possible rulemaking during the designated comment period. Notice will be sent to all who have indicated that they want to receive notice of rule activity pertaining to this preproposal inquiry. The notice will identify the public comment period and where comments can be sent.