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PREPROPOSAL STATEMENT **OF INQUIRY**

CR-101 (October 2017) (Implements RCW 34.05.310)

Do NOT use for expedited rule making

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED

DATE: July 22, 2020 TIME: 10:23 AM

WSR 20-15-160

Agency: Washington State Liquor and Cannabis Board Subject of possible rule making: The Washington State Liquor and Cannabis Board (Board) is considering establishing new rule sections and amending existing rule sections to implement the requirements of alcohol-related legislation enacted during the 2020 legislative session, 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). Statutes authorizing the agency to adopt rules on this subject: RCW 66.08.030, 66.08.050, 66.28.220, and 66.28.320.

Reasons why rules on this subject may be needed and what they might accomplish: Rules may be needed to implement the provisions of HB 2412 (chapter 230, Laws of 2020), ESSB 5006 (chapter 186, Laws of 2020), ESSB 6095 (chapter 200, Laws of 2020), and SSB 6392 (chapter 210, Laws of 2020).

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 onpremises 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. Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: None identified. Process for developing new rule (check all that apply): □ Negotiated rule making ☐ Pilot rule making ☐ Agency study ☑ Other (describe) Collaborative rule making.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:

(If necessary)

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Additional comments: Interested parties m	ay participate in the WSLCB collaborative rule making process.	
Date: July 22, 2020	Signature:	
Name: Jane Rushford	ope Robje d	
Title: Chair		