



# PREPROPOSAL STATEMENT OF INQUIRY

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

Do **NOT** use for expedited rule making

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DATE: August 05, 2020

TIME: 10:51 AM

WSR 20-16-150

**Agency:** Washington State Liquor and Cannabis Board

**Subject of possible rule making:** Chapter 314-28 WAC—Distillers. The Washington State Liquor and Cannabis Board (Board) is considering establishing new rule sections and amending existing rule sections in chapter 314-28 WAC, and in other chapters if needed, to implement the directives and requirements of Engrossed Second Substitute Senate Bill (E2SSB) 5549 (chapter 238, Laws of 2020).

**Statutes authorizing the agency to adopt rules on this subject:** RCW 66.08.030, 66.08.050, E2SSB 5549 (section 12, chapter 238, Laws of 2020) “The board may adopt rules to implement this act.”, and E2SSB 5549 (section 4, chapter 238, Laws of 2020) “(5) Requirements for food offerings shall be determined by the board in rule.”

**Reasons why rules on this subject may be needed and what they might accomplish:** Rules may be needed to implement the provisions of E2SSB 5549 (chapter 238, Laws of 2020).

E2SSB 5549 modifies the privileges and requirements for distillery and craft distillery licenses, and establishes a new off-site tasting room license available to distillery and craft distillery licensees that authorizes operation of an off-site tasting room. A distillery or craft distillery licensed production facility is eligible for up to two off-site tasting room licenses located in the state. The total number of off-site tasting room licenses that may be issued is limited to one hundred fifty.

A licensed distillery or craft distillery operating any on-site or off-site tasting room must provide food offerings, for free or for sale, to customers during public service hours. Requirements for food offerings must be established by the board in rule.

E2SSB 5549 also authorizes jointly occupied and co-operated off-site tasting rooms and jointly operated conjoined consumption areas. Jointly occupied and co-operated off-site tasting rooms are authorized for any distillery, craft distillery, domestic winery, or any combination of these licensees. Jointly operated conjoined consumption areas are authorized for any domestic brewery, microbrewery, domestic winery, distillery, or craft distillery, or any combination of these licensees, whose property parcels or buildings are located in direct physical proximity to one another.

New rule sections may need to be created to implement E2SSB 5549, and existing rule sections may need to be amended in order to align existing rule language with the changes made to statute by E2SSB 5549.

**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:**

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(If necessary)

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Additional comments: Interested parties may participate in the WSLCB collaborative rulemaking process.

**Date:** August 5, 2020

**Name:** Jane Rushford

**Title:** Chair

**Signature:**

