

Notice of Pre-proposal Statement of Inquiry WSR #21-05-069

The Washington State Liquor and Cannabis Board (WSLCB) has filed a preproposal statement of inquiry (CR 101) to consider revising WAC 314-28-070 "Monthly reporting and payment requirements for a distiller and craft distiller," WAC 314-28-080 "What if a distillery or craft distillery licensee fails to report or pay, or reports or pays late?" and other rules if necessary, consistent with the Court of Appeals decision in *Blue Spirits Distilling, LLC v. WSLCB*.¹

The Court of Appeals decision in *Blue Spirits,* issued December 22, 2020, held that WSLCB rules requiring distillers to pay spirits retailer licensing fees when they acted as spirits retailers were invalidated by the decision in *Washington Restaurant Association v. WSLCB*, ² issued on August 8, 2017. Additional rules specifically related to this topic may be amended or created as necessary to accomplish the goal of this project.

As part of the collaborative rule development process, the WSLCB encourages your feedback and comments on the subject of this rule making. Proposed rules are not offered at this point in the process.

Following the initial comment period, the agency will distribute and publish proposed rules, establish a formal comment period consistent with chapter 34.05 RCW, and hold a public hearing before the rules are adopted.

This notice can be found at <u>https://lcb.wa.gov/rules/proposed-rules</u> under preproposal filings.

Public Comment

Please forward your initial comments and feedback to the WSLCB by mail, e-mail, or fax by **March 31, 2021.**

By mail:Rules CoordinatorBy e-mail:By fax:Liquor and Cannabis Boardrules@lcb.wa.gov360-704-5027P.O. Box 43080Olympia, WA 98504-3080360-704-5027

¹ Blue Spirits Distilling, LLC v. WSLCB, No. 53341-3-II, slip op. (Wash. Ct. App. Dec. 22, 2020).

² Washington Restaurant Association v. WSLCB, 200 Wn. App. 119, 401 P.3d 428 (2017).