

# **CR 101 Memorandum**

# Regarding implementation of 2022 legislation SB 5940 creating a contract packaging services endorsement for domestic alcohol manufacturer licensees (breweries, wineries, distilleries).

Date:April 27, 2022Presented by:Audrey Vasek, Policy and Rules Coordinator

## Background

The Washington State Liquor and Cannabis Board is considering creating a new rule section to implement 2022 legislation SB 5940 (chapter 64, Laws of 2022; effective date June 9, 2022). SB 5940 created a new endorsement allowing domestic alcohol manufacturer licensees, such as breweries, wineries, and distilleries, to contract with each other, and with other non-liquor licensed businesses if the contract does not include alcohol products, to provide certain packaging services including, but not limited to, canning, bottling, bagging, mixing, and repacking.

### **Reasons Why Rules Are Needed**

Current agency rules do not reflect the new contract packaging services endorsement created by SB 5940. Creation of a new rule section incorporating the provisions in SB 5940 is needed to ensure that agency rules are aligned with the law, and to help inform licensees about the availability of the endorsement and its requirements.

### Process

The rulemaking process begins by announcing the Board's intent to consider changes to existing rules, add new rule sections, or both by filing a pre-proposal statement of inquiry (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 possible rule changes.

At the CR 101 stage of the rulemaking process, no proposed language is offered. Any interested person 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 related to this pre-CR 101 – SB 5940 Implementation: 1 04/27/2022 Contract Packaging Services Endorsement for Domestic Alcohol Manufacturers proposal statement of inquiry. The notice will identify the public comment period and where comments can be sent.