

CR 101 Memorandum

Regarding Implementation of 2023 Liquor Legislation.

Date:May 24, 2023Presented by:Daniel Jacobs, Policy and Rules Coordinator

Background

The Washington State Legislature passed three (3) pieces of legislation during the 2023 legislative session: House Bill (HB) 1730 (<u>chapter 158, Laws of 2023</u>), Engrossed Substitute House Bill (ESHB) 1731 (<u>chapter 257, Laws of 2023</u>) and HB 1772 (<u>chapter 217, Laws of 2023</u>).

Reasons Why Rulemaking Is Needed

Rules may be needed to implement HB 1730 (chapter 158, Laws of 2023), ESHB 1731 (chapter 257, Laws of 2023), and HB 1772 (chapter 217, Laws of 2023), passed during the 2023 legislative session.

HB 1730 (chapter 158, Laws of 2023) amends state law to allow individuals over 18 years of age but under 21 years of age to work in establishments that are traditionally classified as off-limits to persons under 21 years of age under certain specific and limited circumstances. There are certain existing rules relating to premises that are off limits to persons under 21 years of age, as well as rules relating to how certain licensees can prohibit persons under 21 years of age from entering the premises. These rules will need to be amended to reflect the new state law. New rules may need to be created to implement this legislation.

ESHB 1731 (chapter 257, Laws of 2023) amends state law to allow owners of short-term rentals to obtain a permit to provide a complimentary bottle of wine to those who rent the unit, so long as the owner of the short-term rental complies with age-verification requirements, provides the prospective renter with advance notice that a complimentary bottle of wine will be provided, advises the prospective renter of certain laws against illegal public consumption, and provides the prospective renter with an opportunity to decline the complimentary wine bottle prior to the rental period. Owners of short-term rentals who obtain these special permits are permitted to purchase wine at wholesale. There are no existing rules on the topic of special permits for short-term rental owners, and new rules may need to be created on short-term rental owners. Rules regarding purchase of wine at wholesale may need to be amended.

HB 1772 (<u>chapter 217, Laws of 2023</u>) amends state law to prohibit the manufacture, distribution, offering, and sale of a consumable product that contains cannabis or any form of THC and alcohol. New rules may need to be created to implement this legislation.

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 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-proposal statement of inquiry. The notice will identify the public comment period and where comments can be sent.