



Notice of Permanent Rules

Regarding Amendment to Title 314 Chapter 35 Section 075 WAC – Engrossed Substitute Senate Bill 5365 Increasing Penalties.

This concise explanatory statement concerns the Washington State Liquor and Cannabis Board’s (LCB) adoption of amendments to Title 314 WAC.

The Administrative Procedure Act ([RCW 34.05.325\(6\)](#)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. The concise explanatory statement must be provided to any person upon request, or from whom the LCB received comment.

The LCB appreciates and encourages your involvement in the rule making process. If you have questions, please contact Denise Laflamme, Policy and Rules Coordinator, by mail at 1025 Union Avenue SE, Olympia WA 98501, Phone (360) 819-0452, Fax (360) 664-3208, or by e-mail at rules@lcb.wa.gov.

Background and reasons for adopting these rules:

The Washington State Legislature passed [Engrossed Substitute Senate Bill \(ESSB\) 5365 \(Chapter 398, Laws of 2023\)](#) on April 20, 2023. In passing this bill, the legislature increased monetary penalties LCB may impose against cigarette, tobacco, and vapor product retailer licensees for violations under [RCW 70.155.100](#) related to selling or giving cigarette, tobacco, and vapor products to persons under 21. The legislation increased penalties for violations of [RCW 26.28.080](#) such that:

- A monetary penalty of \$1,000 for the first violation within any three-year period.
- A monetary penalty of \$2,500 for the second violation within any three-year period.
- A monetary penalty of \$5,000 and suspension of the license for a period of six months for the third violation within any three-year period.
- A monetary penalty of \$10,000 and suspension of the license for a period of 12 months for the fourth violation within any three-year period.
- Revocation of the license with no possibility of reinstatement for a period of five years for the fifth or more violation within any three-year period.

The expedited rule-making process to amend [WAC 314-35-075](#) was used since the content of the proposed rules is explicitly and specifically dictated by statute, consistent with the Administrative Procedures Act ([RCW 34.05.353](#)).

On March 27, 2024, LCB adopted rule amendments to Title 314 Chapter 35 Section 075 WAC to implement ESSB 5365.

Rulemaking history for this adopted rule:

- **CR 105** – filed January 17, 2024, as [WSR #24-03-089](#).
- **CR 103** – filed March 27, 2024, as [WSR #24-08-040](#)

The effective date of these rules is April 27, 2024.

Changes from Proposed Rules (CR-105) to the Rules as Adopted:

There were no changes from the proposed rules to the rules as adopted.