



Notice of Rule Change – Explanatory Statement WAC 314-45 Serving and Donating Liquor by Suppliers at Trade Conventions of Licensees

This explanatory statement concerns the **Washington State Liquor Control Board's adoption of changes to rules regarding Serving and Donating Liquor by Suppliers at Trade Conventions of Licensees.**

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. This statement must be provided to anyone who gave comment about the proposed rule making.

Once persons who gave comment during this rule making have had a chance to receive this document, the Liquor Control Board will file the amended rules with the Office of the Code Reviser. These rule changes will become effective 31 days after filing (approximately October 30, 2010).

The Liquor Control Board appreciates your involvement in this rule making process. If you have any questions, please contact Karen McCall, Rules Coordinator, at (360) 664-1631 or e-mail at rules@liq.wa.gov.

What are the agency's reasons for revising these rules?

As part of the Board's ongoing regulatory improvement efforts, this chapter of rules is being reviewed for relevance, clarity, and accuracy.

What changes are being made?

The Board adopted these rule changes September 29, 2010. The rules will be filed on September 29, 2010 and will be effective on October 30, 2010.

Summary of all public comments received on this rule proposal.

One comment was received on this rule proposal:

David E. Wojnar – Distilled Spirits Council of the United States

Comment on WAC 314-45-010: An industry member should only be required to obtain one permit for the entire event regardless of how many locations they will be serving or donating liquor.

Response: RCW 66.20.010 (8) requires a permit for a hospitality room or a booth in a board approved supplier's display room. The language is not plural as in "booths" or "hospitality rooms". This language in the rule is to clarify the law.

Testimony at Public Hearing – September 22, 2010 Olympia, WA

No one testified at the public hearing.

WAC Changes

AMENDATORY SECTION (Amending WSR 98-18-097, filed 9/2/98, effective 10/3/98)

WAC 314-45-010 Convention defined--Hospitality rooms, display booths, receptions and similar activities--Permits required--Fees--Procedures. Activities pursuant to RCW 66.20.010 (8), (9), a manufacturer, importer, distributor, or agent thereof, may serve or donate liquor without charge to delegates and guests at a bona fide convention of a trade association composed of licensees of the board, subject to conditions set forth in this regulation.

(1) For the purposes of this section a "convention" is defined as a bona fide session or assembly of the general

membership of a trade association composed of licensees of the board.

(2) Such manufacturer, importer, distributor, or agent thereof, must hold a special permit issued by the board to engage in such an activity at such convention. The fee for each such special permit shall be \$25.00. A permit is required for each booth or room a manufacturer, importer, distributor, or agent thereof is serving or donating liquor. Application for such permit shall be submitted on a form prescribed by the board. The statutory permits applicable to such activities are:

(a) A special permit provided for in RCW 66.20.010(8) which authorizes the holder thereof to serve liquor without charge to delegates and guests in a hospitality room or from a booth in a board-approved suppliers' display room at such convention.

(b) A special permit provided for in RCW 66.20.010(9) which authorizes the holder thereof to donate liquor for a reception, breakfast, luncheon, or dinner for delegates and guests at such convention.

(3) Any liquor served or donated as provided herein is authorized only for consumption within a specific area designated on an application for permit and approved by the board.

(4) A special permit holder who serves or donates any beer or wine on which state taxes have not been paid, must file a report of the quantity so served or donated and remit the amount of the taxes to the board, in conformity with RCW 66.20.010 (8), (9).

(5) Any spirituous liquor served or donated shall be purchased from the board or a spirit, beer and wine restaurant licensee.

(6) Any licensee promoting a trade show event shall submit a list of all suppliers attending the event.

[Statutory Authority: RCW 66.08.030, 15.88.030, 19.126.020, 66.04.010, 66.08.180, 66.16.100, 66.20.010, 66.20.300, 66.20.310, 66.24.150, 66.24.170, 66.24.185, 66.24.200, 66.24.206, 66.24.210, 66.24.230, 66.24.240, 66.24.244, 66.24.250, 66.24.375, 66.24.380, 66.24.395, 66.24.400, 66.24.420, 66.24.425, 66.24.440, 66.24.450, 66.24.455, 66.24.495, 66.24.540, 66.28.010, 66.28.040, 66.28.050, 66.28.170, 66.28.180, 66.28.190, 66.28.200, 66.28.310, 66.44.190, 66.44.310, 66.98.060 and 82.08.150. 98-18-097, § 314-45-010, filed 9/2/98, effective 10/3/98. Statutory Authority: RCW 66.08.030 and 66.98.070. 85-19-031 (Order 165, Resolution No. 174), § 314-45-010, filed 9/12/85; Order 46, § 314-45-010, Rule 114, filed 6/9/76.]