

AMENDATORY SECTION (Amending WSR 07-02-076, filed 12/29/06, effective 1/29/07)

**WAC 314-13-010 Who can retail licensees purchase beer, wine, and spirits from?**

	Definition	Who licensees can purchase from
<b>Beer</b>	RCW 66.04.010(3)	<ul style="list-style-type: none"> <li>● A licensed Washington distributor (including a licensed Washington brewery that distributes its own product)</li> <li>● A licensed certificate of approval holder with a direct shipping to Washington retailer endorsement</li> <li><del>((● Washington state liquor control board store or agency))</del></li> </ul>
<b>Wine</b>	RCW 66.04.010( <del>((39))</del> ) <u>(46)</u>	<ul style="list-style-type: none"> <li>● A licensed Washington distributor (including a licensed Washington winery that distributes its own product)</li> <li>● A licensed certificate of approval holder with a direct shipping to Washington retailer endorsement</li> <li>● <del>((Washington state liquor control board state-run or contract liquor store))</del> <u>A Washington licensed grocery store with a wine retailer reseller endorsement (up to 24 liters per single sale per day)</u></li> </ul>
<b>Spirits</b>	RCW 66.04.010( <del>((35))</del> ) <u>(41)</u>	<p><del>((A Washington state liquor control board state-run or contract liquor store))</del></p> <ul style="list-style-type: none"> <li>● <u>A Washington spirits distributor</u></li> <li>● <u>A Washington licensed distiller or craft distiller</u></li> <li>● <u>A licensed spirits certificate of approval holder with a direct shipping to retailer endorsement</u></li> <li>● <u>A spirits retail licensee may sell to an on-premises licensee (up to 24 liters per single sale per day)</u></li> </ul>

**WAC 314-13-015 What method of payment can a retailer use to purchase spirits, beer, or wine from an industry member?** Per RCW (~~66.28.010(1)~~) 66.28.270, a retail licensee must pay cash for spirits, beer, and wine prior to or at the time of delivery by an industry member. The board will recognize the following forms of payment as cash payment for the purposes of this title, under the conditions outlined in this rule and in WAC 314-13-020.

(1) **Checks**, under the provisions of WAC 314-13-020.

(2) **Credit/debit cards**, under the following provisions:

(a) The credit or debit card transaction agreement must be voluntary on the part of both the retailer and the industry member, and there must be no discrimination for nonparticipation in credit or debit card transactions.

(b) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(c) Both parties must bear their respective banking costs or other costs associated with the credit or debit card service.

(d) Both parties must maintain records of transactions and have the records readily available for board review.

(e) The credit or debit card charge must be initiated by the industry member no later than the first business day following delivery.

(3) **Electronic funds transfer (EFT)**, under the following provisions:

(a) The EFT agreement must be voluntary on the part of both the retailer and the industry member, and there must be no discrimination for nonparticipation in EFT.

(b) Prior to any EFT transaction, the retail licensee must enter into a written agreement with the industry member specifying the terms and conditions for EFT as payment for alcohol or nonalcohol beverages.

(c) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(d) Both parties must bear their respective banking costs or other costs associated with EFT service.

(e) Both parties must maintain records of transactions and have the records readily available for board review.

(f) The electronic funds transfer must be initiated by the retailer or industry member no later than the first business day following delivery and must be paid as promptly as is reasonably practical, and in no event later than five business days following delivery. Any attempt by a retailer to delay payment on EFT transactions for any period of time beyond the minimum as is reasonably practical will be considered an unlawful attempt to purchase products on credit.

(4) **Prepaid accounts**. Both parties must keep accurate accounting records of prepaid accounts to ensure a cash deposit is not overextended, which is considered an extension of credit.

**WAC 314-13-020 What if a check, EFT transaction, or credit/debit card transaction is reported as having nonsufficient funds (NSF)?** Any transaction reported as having nonsufficient funds (NSF) will be considered an extension of credit, in violation of RCW ((~~66.28.010(1)~~) 66.28.300. If a transaction is reported as NSF:

(1) The retailer must pay the full amount of the transaction to the industry member by 3 p.m. on the first business day following receipt of the NSF report.

~~(2) ((If the retailer does not make payment by this time, the industry member must report the NSF transaction to the their local board enforcement office by 5 p.m. the next business day following receipt of the NSF report.~~

~~(3) The local board enforcement office will contact the retailer, who will have until 3 p.m. the next business day to pay the NSF transaction. If the retailer does not pay the industry member by this time, the board will issue an administrative violation notice to the retailer.~~

~~(4))~~ Until the NSF transaction is paid:

(a) The industry member or spirits retailer licensee who received the NSF transaction will not deliver any spirits, beer, or wine to the retailer; and

(b) It is the responsibility of the retailer to not receive any spirits, beer, or wine from any industry member or spirits retailer licensee.

REPEALER

The following sections of the Washington Administrative Code are repealed:

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| WAC 314-13-025 | How do retail licensees purchase spirituous liquor at a discount from the board?        |
| WAC 314-13-030 | What method of payment can a retailer use to purchase spirituous liquor from the board? |
| WAC 314-13-040 | Do retail licensees have to sell liquor at a certain price?                             |