



Bill Title: Alcoholic Beverages (Omnibus Bill)

Bill Number: SSB 5834

Effective Date: July 26, 2009

Background:

This legislation is the result of a group of industry stakeholders working together to make a number of changes in retail and non-retail liquor licenses.

Summary:

This bill has several components. Each component will be discussed individually below:

Authorized Representative – Amends RCW 66.04.010(2):

- Removes the exclusivity requirement between a winery certificate of approval (COA) licensee and an authorized representative.
- A winery COA may have several authorized representatives marketing and selling different brands.
- The winery COA can sell their own brands that have not been contracted to an authorized representative.

Spirits/Beer/Wine Private Club - Amends RCW 66.24.450:

Allows a spirits, beer, and wine private club licensee to obtain an endorsement to sell bottled wine for off-premises consumption (\$120 fee).

Beer/Wine Private Club – Amends RCW 66.24.452:

Allows a beer/wine private club licensee to obtain an endorsement to sell bottled wine for off-premises consumption (\$120 fee).

Domestic Winery Warehouse – Amends RCW 66.24.170:

Allows domestic wineries operating as distributors of their own product to maintain one warehouse off the winery premises and not located at an additional location winery. A winery warehouse is subject to approval by the Washington State Liquor Control Board (WSLCB).

Tied House Exceptions – Amends RCW 66.28.010:

- Adds special occasion licensees and private club licensees to the list of retail licensees allowed to receive personal services from a domestic winery or certificate of approval holder.

- Allows domestic wineries to identify the winery on private labels for grocery stores and beer/wine specialty shops.
- Allows a domestic distiller to furnish spirits, without charge, to 501 (c)(3) or 501(c)(6) non-profit corporations or associations.

Beer/Wine Specialty Shop – Amends RCW 66.24.371:

Allows a beer/wine specialty shop licensee to sell malt liquor in kegs or other containers capable of holding four or more gallons of liquid, subject to keg registration requirements.

Beer Commission – Amends RCW 15.89.070 (17):

Removes the sunset date for the Beer Commission to receive gifts, grants, and endowments from public or private sources for the purposes of the Commission.

Retailer-to-Retailer Product Transfers – Creates a new section in RCW 66.24:

Allows up to 20 cases of wine per calendar year to be transferred from one licensed location to another licensed location as long as both locations are under common ownership.

Electronic Fund Transfers – Creates a new section in RCW 66.28:

Electronic funds transfers can be used as cash payments provided they are voluntary, conducted pursuant to a written agreement, are initiated no later than the first business day following delivery, and are completed as promptly as is practical, but no later than 5 business days following delivery.

Implementation (individually):

Authorized Representative:

Beginning July 26, 2009, a Certificate of Approval holder may contract with more than one authorized representative for market and sell different brands produced by the winery. The Certificate of Approval holder may retain their liquor license to sell their brands that have not been contracted to an authorized representative.

Spirits/Beer/Wine Private Club:

For Spirits/Beer/Wine Private Club liquor licensees who want the off-premises sale wine endorsement, they must:

- Complete and submit an Application for Added Endorsement (LIQ 756-50), to the Washington State Liquor Control Board, Licensing Division. A \$120.00 fee must be included with the application.
- Licensing division staff will send out a local authority notice and public posting notice. The local authority has 20 days to respond and the public posting notice is posted for 14 days.

- After the 20 days have passed for local authority comment, no local objections have been submitted, and the 14 day posting period has passed, the endorsement will be approved.
- Licensing division staff will send a letter to the licensee approving the “Off-Premises Sale Wine” endorsement. The licensee should receive a new Master License from Master License Service within 14 days.

Beer/Wine Private Club:

For Beer/Wine Private Club liquor licensees who want the off-premises sale wine endorsement, they must:

- Complete and submit an Application for Added Endorsement (LIQ 756-50), to the Washington State Liquor Control Board, Licensing Division. A \$120.00 fee must be included with the application.
- Licensing division staff will send out a local authority notice and public posting notice. The local authority has 20 days to respond and the public posting notice is posted for 14 days.
- After the 20 days have passed for local authority comment, no local objections have been submitted, and the 14 day posting period has passed, the endorsement will be approved.
- Licensing division staff will send a letter to the licensee approving the “Off-Premises Sale Wine” endorsement. The licensee should receive a new Master License from Master License Service within 14 days.

Domestic Winery Warehouse:

Domestic Winery licensees that want to have a warehouse off the winery premises must:

- Complete a Master Business Application and Liquor Control Board Addendum. Information can be found on the WSLCB website at www.liq.wa.gov:
- Licensing Services
- Licenses and Permits Forms Page
- IN-STATE ONLY
- Master Application Packet Page – Non Retail
- Master Application Packet for NON RETAIL License – start with number 1, Master Application

When License Division receives the application:

- A liquor license investigator will be assigned to the application.
- The investigator will contact the applicant to conduct an interview and send the applicant a request for documents needed to process the application (the applicant has 15 days to return the documents).
- A notice will be sent to the local authority for comment (20 day comment period).

- When all documents are received and the investigation is complete, the applicant will receive an approval letter from Licensing Division.
- When the off-site warehouse is approved the licensee should receive a new Master License from Master License Services within 14 days.

Tied House Exceptions:

Effective July 26, 2009:

- Special occasion licensees and private club licensees are allowed to receive personal services from domestic wineries and Certificate of Approval holders.
- Domestic wineries are allowed to identify the winery on private labels for grocery stores and beer/wine specialty shops.
- Domestic distillers may furnish spirits, without charge, to 501(c)(3) or 501(c)(6) non-profitable charitable organizations or associations.

There is no approval process.

Beer/Wine Specialty Shop:

Beer/Wine Specialty Shop liquor licensees who want the keg sales endorsement must:

- Complete and submit an Application for Added Endorsement (LIQ 756-50), to the Liquor Control Board, Licensing Division. There is no fee for this endorsement.
- Licensing division staff will send out a local authority notice and public posting notice. The local authority has 20 days to respond and the public posting notice is posted for 14 days.
- After the 20 days have passed for local authority comment, no local objections have been submitted, and the 14 day posting period has passed, the endorsement will be approved.
- Licensing division staff will send a letter to the licensee approving the “Keg Sales” endorsement. The licensee should receive a new Master License from Master License Service within 14 days.

Beer Commission:

No implementation required.

Retailer-to-Retailer Product Transfers:

Effective July 26, 2009. No implementation required.

Electronic Fund Transfers:

Effective July 26, 2009. No implementation required.