

Bill Title: Concerning marketing opportunities for spirits produced in

Washington by craft and general licensed distilleries

Bill Number: E2SSB 5353 **Effective Date:** July 24, 2015

New Section: RCW 66.20 and RCW 66.24.

Amends: RCW 66.24.140, 66.24.145, and 66.20.010

Summary:

Spirits samples:

Distilleries and craft distilleries as licensed under RCW 66.24.140 and RCW 66.24.145 may provide spirits samples adulterated with nonalcoholic mixers, water, and/or ice.

- Under existing law, samples of spirits of its own production amounting to one-half ounce or less may be provided free or for a charge to persons on the premises of the distillery.
- The maximum total per person per day is two ounces.
- Every person who participates in any manner in the service of samples must obtain a Class 12 Alcohol Server permit.

Sales at qualifying farmers markets:

A distillery or craft distillery licensee may apply to the board for an endorsement to sell spirits of its own production at retail for off-premises consumption at a qualifying farmers market.

- The annual fee for this endorsement is seventy-five dollars.
- Before the selling of spirits at a qualifying farmers market, the distillery or craft distillery must provide the Board or its designee a list of the dates, times, and locations at which bottled spirits may be offered for sale.
- Spirits samples are not permitted at farmers markets.

Distiller or craft distiller private events:

A distillery or craft distillery licensee may apply for a special permit to conduct an event not open to the general public for the purpose of tasting and selling spirits of its own production.

- The distillery or craft distillery must obtain a permit for a fee of ten dollars per event, and is limited to no more than twelve permits each year.
- An application for the permit must be submitted 10 days prior to the event and, once issued, must be posted in a conspicuous place at the premises for which the permit was issued during all times the permit is in use.

Direct ordering and shipping from licensed distilleries:

A licensed distillery or craft distillery may accept orders directly from and deliver spirits directly to customers at their residence or business.

- These deliveries are not for resale purposes.
- To conduct internet sales, existing distilleries must notify the Board prior to sales.
- New distillery licensees must request internet sales privileges in their application.
- Deliveries are permitted between the hours of 6 a.m. and 2 a.m.

Gift certificates and gift cards:

Any licensee authorized to sell alcohol at retail may sell gift certificates and gift cards, which may be exchanged for consumer goods and services.

- The gift certificates and cards may be sold by third-party retailers.
- Gift certificates and cards may not be redeemed for alcohol by a person under the age of 21.

How to Apply:

How to apply for a private event special permit:

The WSLCB will develop the special permit for a private distillers' event to allow tasting of alcohol by persons at least 21 years of age under certain conditions.

When the WSLCB Licensing Division receives the application:

- A Customer Service Specialist will be assigned to the application.
- The Customer Service Specialist will send the applicant an approval letter.

How to apply for spirit sampling:

Spirits retail licensees enrolled in the <u>Responsible Vendor Program</u> that want to offer spirit samples must:

 Complete and submit an Application for Added Endorsement (LIQ 756), to the Washington State Liquor Control Board, License Division. There is no fee for this endorsement.

When the WSLCB Licensing Division receives the application:

- Licensing staff will notify the licensee of any required documents needed to process the request.
- Licensing staff will send a letter to the licensee approving the "Spirits Sampling" endorsement.

How to apply for sales at farmers markets:

Spirits retail licensees that meet the criteria and want to conduct sales at qualifying farmers markets must:

- Complete and submit an Application for Added Endorsement (LIQ 756), to the Washington State Liquor Control Board, License Division.
- There is a fee of \$75.

When the WSLCB Licensing Division receives the application:

- Licensing staff will notify the licensee of any required documents needed to process the request.
- Licensing staff will send a letter to the licensee approving the "Sales at farmers market" endorsement.

How to apply for shipping direct to Washington consumers:

Spirits retail licensees that want to ship their product directly to consumers in Washington State must:

 Complete and submit an Application for Added Endorsement (LIQ 756), to the Washington State Liquor Control Board, License Division. There is no fee for this endorsement.

When the WSLCB Licensing Division receives the application:

- Licensing staff will notify the licensee of any required documents needed to process the request.
- Licensing staff will send a letter to the licensee approving the "Spirits Sampling" endorsement.

Contact Information:

For specific questions, please contact Customer Service at 360-664-1600 or online at http://lcb.wa.gov.