



## **Notice of Permanent Rules to Implement 2011 Legislation for Special Occasion Licenses**

This explanatory statement concerns the **Washington State Liquor Control Board's adoption of rule changes to implement 2011 legislation for Special Occasion Licenses.**

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 December 9, 2011).

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](mailto:rules@liq.wa.gov).

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### **What are the agency's reasons for adopting this rule?**

Rules needed to be revised to implement SSB 5788 that passed in the 2011 legislative session. Language to clarify language in SSB 6485 from the 2010 legislative session was also added.

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### **Summary of all public comments received on this rule proposal.**

No comments were received at the public hearing on October 26, 2011. One written comments was received on this rulemaking.

## WAC Changes

AMENDATORY SECTION (Amending WSR 04-22-078, filed 11/2/04, effective 12/3/04)

**WAC 314-05-025 Application process for a special occasion license.** (1) Special occasion applications normally take forty-five days to process. The liquor control board may not be able to process your application in time for your event if you do not apply at least forty-five days before the event.

(2) Per RCW 66.24.010(8), when the board receives a special occasion application, it must send a notice to the local authority. The local authority has twenty days to respond with any input, and they may request an extension for good cause.

(3) The liquor control board may run a criminal history check on the organization's officers and/or managers.

(4) The liquor control board (~~(may request)~~) requires documentation to verify the organization is a bona-fide nonprofit, who the true party(ies) of interest are in the organization, and that the organization meets the guidelines outlined in WAC 314-05-020 and 314-05-025.

(5) See chapter 314-07 WAC regarding possible reasons for denial of a special occasion license. Denials are subject to the provisions of the Administrative Procedure Act, chapter 34.05 RCW.

[Statutory Authority: RCW 66.08.030, 66.24.375, 66.24.380, 66.28.010. 04-22-078, § 314-05-025, filed 11/2/04, effective 12/3/04.]

AMENDATORY SECTION (Amending WSR 09-02-013, filed 12/29/08, effective 1/29/09)

**WAC 314-05-030 Guidelines for special occasion license events.** (1) The special occasion license must be posted at the event.

(2) Special occasion licensees may get alcohol for the event only from the following sources:

(a) Spirits must be purchased from a Washington state-run or contract liquor store;

(b) Beer and wine must be purchased at retail from a licensed retailer, from a beer or wine distributor, from a domestic brewery, microbrewery, or winery, acting as a distributor of its own product, or from a certificate of approval holder with a direct shipping to Washington retailer endorsement. Special occasion licensees are allowed to pay for beer or wine used for the special occasion event immediately following the end of the special occasion event; and

(c) Per RCW 66.28.040, in state breweries and wineries (~~and~~), out-of-state breweries and wineries holding a certificate of approval license, domestic distillers or an accredited representative of a distiller, manufacturer,

importer, or distributor of spirituous liquor may donate beer ~~((and))~~, wine, and spirits to special occasion licensees that are nonprofit 501 (c)(3) charitable organizations or nonprofit 501 (c)(6) organizations. Spirits donated to a special occasion licensee must be purchased from a state or contract liquor store.

(3) Special occasion licensees may not advertise or sell alcohol below cost. If donated product is sold by the special occasion licensee, it may not be advertised or sold below the manufacturers' cost.

(4) Per RCW 66.28.010, alcohol manufacturers, importers and distributors may provide advertising, pouring, or dispensing of beer or wine at a beer or wine tasting exhibition or judging event, but may not provide money, goods, or services to special occasion licensees.

(a) Wineries and distilleries may pour at any special occasion event.

(b) Wineries or breweries that are participating in a special occasion event may pay reasonable booth fees to the special occasion licensee. Booth fees must be uniform for all participating wineries and breweries.

(5) Per RCW 66.24.380, the sale, service, and consumption of alcohol must be confined to a designated location(s).

(6) If a special occasion license function is held at an establishment that has a liquor license:

(a) The special occasion function must be held in an area of the premises separate from areas open to the general public during the time the special occasion function is occurring, and the licensed premises' liquor cannot be sold or served in the same area(s) as the special occasion license function.

(b) The liquor licensee cannot charge for the liquor purchased by the special occasion licensee for service at the special occasion event, but can charge for room usage, services, etc. The liquor licensee must sign the special occasion application giving permission for the special occasion licensee to bring and sell their alcohol (~~(ente)~~) at the liquor licensed premises.

(c) The special occasion license will not be issued for use at premises whose liquor license will be suspended on the date(s) of the scheduled event.

[Statutory Authority: RCW 66.08.030. 09-02-013, § 314-05-030, filed 12/29/08, effective 1/29/09. Statutory Authority: RCW 66.08.030, 66.20.360 through [66.20].380, 66.20.390, 66.24.170, 66.24.206, 66.24.210, 66.24.240, 66.24.244, 66.24.270, 66.24.290, 66.28.170, 66.28.180, and 42.56.270. 07-02-076, § 314-05-030, filed 12/29/06, effective 1/29/07. Statutory Authority: RCW 66.08.030, 66.24.375, 66.24.380, 66.28.010. 04-22-078, § 314-05-030, filed 11/2/04, effective 12/3/04.]