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SUBSTITUTE SENATE BILL 6095

State of Washington 66th Legislature 2020 Regular Session

By Senate Labor & Commerce (originally sponsored by Senator Keiser)
READ FIRST TIME 02/05/20.

- 1 AN ACT Relating to common carrier activities that are not 2 prohibited under the three-tier system; and amending RCW 66.28.295.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 66.28.295 and 2011 c 66 s 2 are each amended to read 5 as follows:
- 6 Nothing in RCW 66.28.290 shall prohibit:
 - (1) A licensed domestic brewery or microbrewery from being licensed as a retailer pursuant to chapter 66.24 RCW for the purpose of selling beer or wine at retail on the brewery premises and at one additional off-site retail only location.
 - (2) A domestic winery from being licensed as a retailer pursuant to chapter 66.24 RCW for the purpose of selling beer or wine at retail on the winery premises. Such beer and wine so sold at retail shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210 and to reporting and bonding requirements as prescribed by regulations adopted by the board pursuant to chapter 34.05 RCW, and beer and wine that is not produced by the brewery or winery shall be purchased from a licensed beer or wine distributor.
- 19 (3) A microbrewery holding a beer and/or wine restaurant license 20 under RCW 66.24.320 from holding the same privileges and endorsements 21 attached to the beer and/or wine restaurant license.

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1 (4) A licensed craft distillery from selling spirits of its own 2 production under RCW 66.24.145.

- (5) A licensed distiller, domestic brewery, microbrewery, domestic winery, or a lessee of a licensed domestic brewer, microbrewery, or domestic winery, from being licensed as a spirits, beer, and wine restaurant pursuant to chapter 66.24 RCW for the purpose of selling liquor at a spirits, beer, and wine restaurant premises on the property on which the primary manufacturing facility of the licensed distiller, domestic brewer, microbrewery, or domestic winery is located or on contiguous property owned or leased by the licensed distiller, domestic brewer, microbrewery, or domestic winery as prescribed by rules adopted by the board pursuant to chapter 34.05 RCW.
- (6) A microbrewery holding a spirits, beer, and wine restaurant license under RCW 66.24.420 from holding the same privileges and endorsements attached to the spirits, beer, and wine restaurant license.
- (7) A brewery or microbrewery holding a spirits, beer, and wine restaurant license or a beer and/or wine license under chapter 66.24 RCW operated on the premises of the brewery or microbrewery from holding a second retail only license at a location separate from the premises of the brewery or microbrewery.
- 23 (8) Retail licensees with a caterer's endorsement issued under 24 RCW 66.24.320 or 66.24.420 from operating on a domestic winery 25 premises.
 - (9) An organization qualifying under RCW 66.24.375 formed for the purpose of constructing and operating a facility to promote Washington wines from holding retail licenses on the facility property or leasing all or any portion of such facility property to a retail licensee on the facility property if the members of the board of directors or officers of the board for the organization include officers, directors, owners, or employees of a licensed domestic winery. Financing for the construction of the facility must include both public and private money.
 - (10) A bona fide charitable nonprofit society or association registered under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code, or a local wine industry association registered under Title 26 U.S.C. Sec. 501(c)(6) of the federal internal revenue code as it existed on July 22, 2007, and having an officer, director, owner, or employee of a licensed domestic winery

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or a wine certificate of approval holder on its board of directors from holding a special occasion license under RCW 66.24.380.

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- (11) A person licensed pursuant to RCW 66.24.170, 66.24.240, or 66.24.244 from exercising the privileges of distributing and selling at retail such person's own production or from exercising any other right or privilege that attaches to such license.
- (12) A person holding a certificate of approval pursuant to RCW 66.24.206 from obtaining an endorsement to act as a distributor of their own product or from shipping their own product directly to consumers as authorized by RCW 66.20.360.
- 11 (13) A person holding a wine shipper's permit pursuant to RCW 12 66.20.375 from shipping their own product directly to consumers.
- 13 (14) A person holding a certificate of approval pursuant to RCW 66.24.270(2) from obtaining an endorsement to act as a distributor of their own product.
- 16 (15) A domestic winery and a restaurant licensed under RCW 17 66.24.320 or 66.24.400 from entering an arrangement to waive a corkage fee.
 - (16) A common carrier licensed under RCW 66.24.395 from:
- 20 <u>(a) Transporting liquor without charge or at a discounted rate</u>
 21 <u>when the liquor was purchased by a ticketed passenger and is not</u>
 22 intended to be sold for resale;
 - (b) Displaying or distributing information about an industry member provided the industry member did not pay the common carrier to have the information displayed or distributed;
 - (c) Sponsoring any public or private event including those hosted by or otherwise affiliated with an industry member;
- 28 <u>(d) Accepting payment from an industry member for advertising,</u>
 29 provided:
- 30 <u>(i) The advertising appears in a publication produced and</u>
 31 <u>distributed to passengers of the common carrier;</u>
- (ii) The amount of the payment is consistent with the advertising rates paid by other advertisers purchasing similar advertisements in the same publication; and
- 35 <u>(iii) The payment is not used as an inducement to purchase the</u> 36 <u>products of the industry member paying for the advertising nor does</u> 37 <u>it result in the exclusion of products of other industry members.</u>
- 38 <u>(17) An industry member, subject to the requirements of its</u> 39 <u>license, from entering into an arrangement to provide tastings with</u>

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- 1 or without charge to passengers of a common carrier holding a license
- 2 <u>under RCW 66.24.395.</u>

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