

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

**WAC 314-28-005 Definitions.** ~~The following definition applies to distilleries.~~ The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Craft distillery" means any distillery licensed under RCW 66.24.145 and located in the state of Washington.

(2) "Domestic distillery" means any distillery licensed under RCW 66.24.140 and located in the state of Washington.

(3) "Off-site tasting room" means an off-site tasting room licensed under RCW 66.24.146.

[Statutory Authority: RCW 66.24.145, and 66.08.030. WSR 14-20-047, § 314-28-005, filed 9/24/14, effective 10/25/14. Statutory Authority: RCW 66.08.030 and 66.28.320. WSR 10-01-090, § 314-28-005, filed 12/16/09, effective 1/16/10.]

**WAC 314-28-030** ~~What does a distillery~~ Distillery license ~~allow?.~~ (1) A distillery license allows the licensee to÷

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

~~(a) Sell spirits of their own production directly to a licensed spirits distributor in the state of Washington and to a licensed spirits retailer in the state of Washington;~~

~~(b) Sell spirits of its own production for consumption off the premises. A distiller selling spirits under this subsection must comply with the applicable laws and rules relating to retailers;~~

~~(c) Provide free or for a charge one-half ounce or less samples of spirits of its own production to persons on the premises of the distillery under the following conditions:~~

~~(i) Samples may be altered with nonalcoholic mixers, mixers with alcohol of the distiller's own production, ice, and/or water.~~

~~(ii) The maximum amount of alcohol per person per day is two ounces.~~

~~(iii) Every person who participates in any manner in the service of samples must obtain a class 12 alcohol server permit.~~

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

~~(d) Contract distilled spirits for, and sell contract distilled spirits to, holders of distillers' or manufacturers' licenses, including licenses issued under RCW 66.24.520, or for export.~~ engage in activities authorized in RCW 66.24.140.

(2) A distillery licensee must comply with all applicable state laws and rules including, but not limited to, the sampling, service, and sales requirements in WAC 314-28-065, the tasting room age restrictions in WAC 314-28-066, and the food offerings requirements in WAC 314-28-067.

(3) (a) Contract production is when one distillery, referred to as the "contractor," produces distilled spirits for and sells contract distilled spirits to holders of a distillery license, or manufacturers' license including licenses issued under RCW 66.24.520, referred to as "contractee," and for export from the state. This distilled spirit is referred to as the "product."

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

~~(a)~~ (i) The contractee is the product owner. The contractee may handle the product under its license as the Revised Code of Washington and the Washington Administrative Code allow.

~~(b)~~ (ii) The contractor is required to physically transport all contracted product to the contractee. The contractor is not allowed to distribute or retail the product.

~~(3)~~ (b) The contractor must submit a copy of the contract to the board prior to production. Any changes in the contract must also be submitted to the board prior to subsequent production. The board may require additional information.

~~(4)~~ (c) The contractor and contractee are required to obtain any federal approvals.

(4) Consistent with RCW 66.24.1474, a distillery licensee may add a spirits, beer, and wine restaurant license as authorized in RCW 66.24.400 at the distillery premises. The licensee must complete an application and submit the application and applicable fees to the board for processing. For more

**THIS IS NOT A RULE PROPOSAL**  
**THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY**  
**REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES**  
11/02/2020  
V 1.0

information about spirits, beer, and wine restaurant license requirements, see WAC 314-02-015.

[Statutory Authority: RCW 66.24.170, 66.24.640, 66.24.695, and 66.08.030. WSR 18-02-006, § 314-28-030, filed 12/20/17, effective 1/20/18. Statutory Authority: RCW 66.08.030, 66.24.145. WSR 15-16-049, § 314-28-030, filed 7/29/15, effective 8/29/15; WSR 14-20-047, § 314-28-030, filed 9/24/14, effective 10/25/14. Statutory Authority: RCW 66.08.030, 66.24.055, 66.24.160, 66.24.630, and 66.24.640. WSR 12-12-065, § 314-28-030, filed 6/5/12, effective 7/6/12.]

**WAC 314-28-050** ~~What does a craft~~ Craft distillery license ~~allow?.~~ (1) A craft distillery license allows a licensee to ~~to~~

engage in activities authorized in RCW 66.24.145.

~~(a) Produce~~ (2) A craft distillery licensee must comply with all applicable state laws and rules including, but not limited to, the sampling, service, and sales requirements in WAC 314-28-065, the tasting room age restrictions in WAC 314-28-066, and the food offerings requirements in WAC 314-28-067.

(3) Consistent with RCW 66.24.140, a craft distillery licensee may produce one hundred fifty thousand proof gallons or

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

less of spirits per calendar year. A "proof gallon" is one liquid gallon of spirits that is fifty percent alcohol at sixty degrees Fahrenheit;

~~(b) Sell spirits of its own production directly to a customer for off-premises consumption, provided that the sale occurs when the customer is physically present on the licensed premises. A craft distiller may not sell liquor products of someone else's production;~~

~~(c) Sell spirits of its own production to a licensed spirits distributor;~~

~~(d) Sell spirits of its own production to a licensed spirits retailer in the state of Washington;~~

~~(e) Sell to out-of-state entities;~~

~~(f) Provide, free or for a charge, samples of spirits of its own production to persons on the distillery premises subject to the following conditions:~~

~~(i) The maximum amount of alcohol per person per day is two ounces.~~

**THIS IS NOT A RULE PROPOSAL**

THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES

11/02/2020

V 1.0

~~(ii) Samples may be altered with nonalcoholic mixers, mixers with alcohol of the distiller's own production, ice, and/or water.~~

~~(iii) Anyone involved in the serving of such samples must have a valid Class 12 alcohol server permit.~~

~~(iv) Samples must be in compliance with RCW 66.28.040,~~

~~(g) Provide samples of spirits of its own production to retailers. Samples must be unaltered, and in compliance with RCW 66.28.040, 66.24.310 and WAC 314-64-08001. Samples are considered sales and are subject to taxes,~~

~~(h) Contract produce spirits for holders of a distiller or manufacturer license.~~

~~(2)~~ A(4) Consistent with RCW 66.24.1474, a craft distillery licensee may add a spirits, beer, and wine restaurant license as authorized in RCW 66.24.400 at the craft distillery premises.

The licensee must complete an application and submit the application and applicable fees to the board for processing. For

**THIS IS NOT A RULE PROPOSAL**  
**THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY**  
**REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES**  
**11/02/2020**  
**V 1.0**

[more information about spirits, beer, and wine restaurant  
license requirements, see WAC 314-02-015.](#)

[Statutory Authority: RCW 66.24.170, 66.24.640, 66.24.695, and 66.08.030. WSR 18-02-006, § 314-28-050, filed 12/20/17, effective 1/20/18. Statutory Authority: RCW 66.08.030, 66.24.145. WSR 15-16-049, § 314-28-050, filed 7/29/15, effective 8/29/15; WSR 14-20-047, § 314-28-050, filed 9/24/14, effective 10/25/14. Statutory Authority: RCW 66.08.030, 66.24.055, 66.24.160, 66.24.630, and 66.24.640. WSR 12-12-065, § 314-28-050, filed 6/5/12, effective 7/6/12. Statutory Authority: RCW 66.24.145 and 66.08.030. WSR 10-19-066, § 314-28-050, filed 9/15/10, effective 10/16/10; WSR 09-02-011, § 314-28-050, filed 12/29/08, effective 1/29/09.]

**NEW WAC 314-28-065 Sampling, service, and sales requirements for  
distillery and craft distillery licensees.**

Consistent with RCW 66.24.140 and 66.24.145:

(1) Distillery and craft distillery licensees may engage in  
the following sampling, service, and sales activities:

(a) Sell, for off-premises consumption:

(i) Spirits of their own production;



**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

(ii) Spirits produced by another distillery or craft distillery licensed in Washington, subject to the alcohol stock-keeping unit requirements in subsection (2) of this section; and

(iii) Vermouth and sparkling wine produced by a licensee in Washington, subject to the alcohol stock-keeping unit requirements in subsection (2) of this section.

(b) Serve or sell, for on-premises consumption, samples of spirits of their own production or samples of spirits produced by another distillery or craft distillery licensed in Washington, subject to the alcohol stock-keeping unit requirements in subsection (2) of this section and the following requirements:

- (i) Samples may be free or for a charge;
- (ii) Each sample must be one-half ounce or less of spirits;
- (iii) Spirits samples may be adulterated with water, ice, other alcohol allowed to be sold on-site, or nonalcoholic mixers; and
- (iv) A licensee may not allow an individual person to receive more than a cumulative total of two ounces of

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

unadulterated spirits for on-premises consumption. Additional spirits purchased for on-premises consumption must be adulterated.

(c) Sell, for on-premises consumption, servings of spirits of their own production or servings of spirits produced by another distillery or craft distillery licensed in Washington, subject to the alcohol stock-keeping unit requirements in subsection (2) of this section and the following requirements:

(i) Servings must be adulterated with water, ice, other alcohol permitted to be sold at the location, or nonalcoholic mixers; and

(ii) The revenue derived from the sale of adulterated products for on-premises consumption under this subsection

(1) (c) must not comprise more than thirty percent of the overall gross revenue earned in the tasting room during the calendar year. The annual reporting requirement for tasting room sales of

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

adulterated products is satisfied through cumulative monthly reporting under WAC 314-28-070.

(d) Sell, for on-premises consumption, servings of vermouth or sparkling wine produced by a licensee in this state, subject to the alcohol stock-keeping unit requirements in subsection (2) of this section.

(e) Sell nonalcoholic products at retail.

(2) A distillery or craft distillery licensee that provides or sells, for on-premises or off-premises consumption, spirits, sparkling wine, or vermouth produced by another licensee in this state, must meet the following alcohol stock-keeping unit requirements:

(a) Except as provided in (b) of this subsection, at any one time no more than twenty-five percent of a distillery or craft distillery licensee's total alcohol stock-keeping units, offered or sold at the distillery or craft distillery premises

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

and at any off-site tasting rooms, may be vermouth, sparkling wine, or spirits produced by another licensee in this state.

(b) If a distillery or craft distillery licensee sells fewer than twenty different alcohol stock-keeping units of its own production, it may sell up to five alcohol stock-keeping units of vermouth, sparkling wine, or spirits that are produced by another licensee in this state.

(3) Any person serving or selling spirits or other alcohol authorized to be served or sold by a distillery or craft distillery licensee must obtain a class 12 alcohol server permit.

**NEW WAC 314-28-066 Tasting room age restrictions for distillery and craft distillery licensees.**

Consistent with RCW 66.24.140 and 66.24.145:

(1) A distillery or craft distillery licensee must not allow any person under the age of twenty-one to enter a tasting

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

room unless they are accompanied by their parent or legal guardian.

(2)(a) Every tasting room must include a designated area where persons under the age of twenty-one are allowed to enter.

(b) The designated area may be in a separate room or within the tasting room.

(c) The designated area must be separated from the remainder of the tasting room space by a clear demarcation.

"Demarcation" has the same meaning and options as provided in WAC 314-02-025(3).

(3) Persons under the age of twenty-one are not allowed on the premises of a licensed distillery, craft distillery, or off-site tasting room past 9:00 p.m., unless:

(a) They are on the premises during an event where a private party has secured a banquet permit (see chapter 314-18 WAC); or

(b) They are the children of owners, operators, or managers of the licensed distillery, craft distillery, or off-site

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

tasting room, and they are under direct supervision of their parent or legal guardian while on the premises.

(4) For the purposes of this section, "tasting room" includes both off-site tasting rooms in WAC 314-28-300 and on-site tasting rooms operated at a licensed distillery or craft distillery premises.

**NEW 314-28-067 Food offerings requirements.**

(1) Consistent with RCW 66.24.1471, licensed distilleries, craft distilleries, and off-site tasting rooms must comply with the food offerings requirements in this section. "Food offerings" has the same meaning as provided in RCW 66.24.1471.

(a) Food offerings may be prepackaged for individual sale and consumption.

(b) Food offerings may be preprepared off-site for plating for the customer.

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

(c) Food offerings are not required to be warmed, cooked, or heated off-site or on-site prior to service.

(d) Food heating devices or preparation apparatuses are not required to be installed, maintained, or used to prepare any food offerings.

(2) In addition to the food offerings requirements under this section, licensed distilleries, craft distilleries, and off-site tasting rooms must comply with all applicable requirements in RCW 66.24.1471 including, but not limited to, requirements related to posting lists of local restaurants or food trucks and any local city or county health requirements. For information on local city or county health requirements, licensees need to contact their local health department.

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

**NEW 314-28-300 Off-site tasting room license.**

(1) Distillery and craft distillery licensees may apply for an off-site tasting room license as authorized in RCW 66.24.146.

(2) Consistent with RCW 66.24.146:

(a) A distillery or craft distillery licensee is eligible for up to two off-site tasting room licenses located in this state, subject to the limit on the total number of off-site tasting room licenses under RCW 66.24.1473.

(b) Off-site tasting rooms may be indoors, outdoors, or a combined indoor and outdoor area. For requirements related to outside alcohol service, see WAC 314-03-200.

(c) The fee for each off-site tasting room license is two thousand dollars per year.

(3) An off-site tasting room must comply with all applicable requirements in RCW 66.24.146 and any other applicable state laws and rules including, but not limited to,



**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

the sampling, service, and sales requirements in WAC 314-28-065, the tasting room age restrictions in WAC 314-28-066, and the food offerings requirements in WAC 314-28-067.

(4) RCW 66.24.146 allows an off-site tasting room to have a section identified and separated as a federally bonded space for the storage of bulk or packaged spirits, and allows products of the licensee's own production to be bottled or packaged in the space. A licensee engaging in this activity at an off-site tasting room must comply with all applicable federal laws and regulations and obtain any required federal approvals.

(5) Consistent with RCW 66.24.1474, an off-site tasting room licensee may add a spirits, beer, and wine restaurant license as authorized in RCW 66.24.400 at the off-site tasting room premises. The licensee must complete an application and submit the application and applicable fees to the board for processing. For more information about spirits, beer, and wine restaurant license requirements, see WAC 314-02-015.

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

**NEW 314-28-310 Jointly operated off-site tasting rooms.**

(1) Jointly operated off-site tasting rooms are allowed as authorized in RCW 66.24.1472. Consistent with RCW 66.24.1472:

(a) Any licensed distillery, craft distillery, or domestic winery, or any combination of these licensees, may jointly occupy and co-operate up to two off-site tasting room locations described in WAC 314-28-300.

(b) (i) At a jointly operated off-site tasting room, distillery and craft distillery licensees may sample, serve, and sell products subject to the requirements in WAC 314-28-065, and domestic winery licensees may sample, serve, and sell products subject to the requirements in chapter 314-24 WAC.

(ii) Consistent with RCW 66.24.140 and 66.24.145, a licensee may not allow an individual person to receive more than a cumulative total of two ounces of unadulterated spirits for on-premises consumption at a jointly operated off-site tasting

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

room, regardless of the number of licensees operating at a jointly operated off-site tasting room.

(c) At a jointly operated off-site tasting room, licensees must:

(i) Maintain separate storage of products and separate financial records. If licensees share any point of sale system, the licensees must keep complete documentation and records for the shared point of sale system showing clear separation as to what sales items and categories belong to each respective licensee;

(ii) Comply with the applicable laws and rules relating to retailers; and

(iii) Share staffing resources.

(2) In addition to the requirements in this section, jointly operated off-site tasting rooms must comply with all applicable requirements in RCW 66.24.1472 and any other applicable state laws and rules including, but not limited to,

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

the tasting room age restrictions in WAC 314-28-066 and the food offerings requirements in WAC 314-28-067.

(3) Responsibility for violations or enforcement issues will be determined consistent with RCW 66.24.1472(5).

**NEW 314-28-320 Jointly operated conjoined consumption areas.**

(1) Jointly operated conjoined consumption areas are allowed as authorized in RCW 66.24.1472. Consistent with RCW 66.24.1472:

(a) Any domestic brewery, microbrewery, domestic winery, distillery, or craft distillery, or any combination of these licensees, whose property parcels or buildings are located in direct physical proximity to one another may share a jointly operated conjoined consumption area. "Direct physical proximity" means that the property parcels or buildings are physically connected or touching each other along a boundary or at a point.

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

(b) The jointly operated conjoined consumption area may be a standing or seated tasting area for patrons to use, which may be indoors, outdoors, or a combined indoor and outdoor area. For requirements related to outside alcohol service, see WAC 314-03-200.

(c)(i) Each licensee may sample, serve, and sell products as authorized under the terms of their respective licenses for on-premises consumption in the jointly operated conjoined consumption area. For the requirements applicable to:

(A) Distillery and craft distillery licensees, see WAC 314-28-065.

(B) Domestic winery licensees, see chapter 314-24 WAC.

(C) Domestic brewery and microbrewery licensees, see chapter 314-20 WAC.

(ii) Consistent with RCW 66.24.140 and 66.24.145, a licensee may not allow an individual person to receive more than a cumulative total of two ounces of unadulterated spirits for

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

on-premises consumption at a jointly operated conjoined  
consumption area, regardless of the number of licensees  
operating at a jointly operated conjoined consumption area.

(iii) Consistent with WAC 314-11-065, a licensee may not  
permit the removal of liquor in an open container from the  
jointly operated conjoined consumption area, except to reenter  
the licensed premises where the liquor was purchased. Signage  
prohibiting the removal of liquor in an open container must be  
visible to patrons in the jointly operated conjoined consumption  
area.

(d) In a jointly operated conjoined consumption area,  
licensees must:

(i) Maintain separate storage of products and separate  
financial records. If licensees share any point of sale system,  
the licensees must keep complete documentation and records for  
the shared point of sale system showing clear separation as to

**THIS IS NOT A RULE PROPOSAL**  
*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY*  
*REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*  
11/02/2020  
V 1.0

what sales items and categories belong to each respective licensee.

(ii) Use distinctly marked glassware or serving containers to identify the source of any product being consumed;

(iii) Comply with the applicable laws and rules relating to retailers; and

(iv) Share staffing resources.

(2) In addition to the requirements in this section, licensees at jointly operated conjoined consumption areas must comply with all requirements in RCW 66.24.1472 and any other applicable state laws and rules including, but not limited to:

(i) For distillery and craft distillery licensees, the tasting room age restrictions in WAC 314-28-066 and the food offerings requirements in WAC 314-28-067.

(ii) For domestic winery licensees, see chapter 314-24 WAC.

(iii) For domestic brewery and microbrewery licensees, see chapter 314-20 WAC.

**THIS IS NOT A RULE PROPOSAL**  
**THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY**  
**REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES**  
11/02/2020  
V 1.0

(3) Responsibility for violations or enforcement issues will be determined consistent with RCW 66.24.1472(5).

**WAC 314-29-035 Group 4 nonretail violations.** Group 4 violations are violations involving the manufacture, supply, and/or distribution of liquor by nonretail licensees and prohibited practices between a nonretail licensee and a retail licensee.

Violation type	1st Violation	2nd Violation in a two-year window	3rd Violation in a two-year window	4th Violation in a two-year window
<b>Providing credit to a retail licensee.</b> RCW 66.28.010 WAC 314-12-140 WAC 314-12-145 WAC 314-13-015 WAC 314-13-020	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Quantity discount.</b> RCW 66.28.170 RCW 66.28.180	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Giving away liquor in violation of liquor law or rule.</b> RCW 66.28.040 WAC 314-64-080 WAC 314-64-08001	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Consignment sales/return of product in violation of liquor law or rule.</b> RCW 66.28.010 WAC 314-12-140 WAC 314-13-015 WAC 314-20-070 WAC 314-20-090 WAC 314-24-210	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option



**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

<b>Violation type</b>	<b>1st Violation</b>	<b>2nd Violation in a two-year window</b>	<b>3rd Violation in a two-year window</b>	<b>4th Violation in a two-year window</b>
<b>Advertising violations</b> involving prohibited practices between a nonretail and a retail licensee. RCW 66.28.010 RCW 66.24.570 WAC 314-05-030 WAC 314-52-040 WAC 314-52-070 WAC 314-52-080 WAC 314-52-090 WAC 314-52-113	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Price lists/labeling/ packaging violations.</b> RCW 66.24.145 RCW 66.28.100 RCW 66.28.110 RCW 66.28.120 RCW 66.28.180 WAC 314-20-020 WAC 314-20-030 WAC 314-20-100 WAC 314-20-130 WAC 314-24-003 WAC 314-24-006 WAC 314-24-040 WAC 314-24-080 WAC 314-24-090 WAC 314-24-190 WAC 314-28-090	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Agents violations:</b> Nonretail licensee employing an unlicensed agent. RCW 66.24.310 RCW 66.28.050 WAC 314-44-005	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Unauthorized product/unapproved storage or delivery.</b> RCW 66.24.140 RCW 66.24.160 RCW 66.24.170 RCW 66.24.185 RCW 66.24.200 RCW 66.24.203 RCW 66.24.206	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

Violation type	1st Violation	2nd Violation in a two-year window	3rd Violation in a two-year window	4th Violation in a two-year window
RCW 66.24.240				
RCW 66.24.244				
RCW 66.24.250				
RCW 66.24.261				
RCW 66.24.395				
RCW 66.28.010				
RCW 66.44.140				
RCW 66.44.150				
RCW 66.44.160				
RCW 66.44.170				
WAC 314-20-015				
WAC 314-20-017				
WAC 314-20-055				
WAC 314-20-095				
WAC 314-20-120				
WAC 314-20-160				
WAC 314-20-170				
WAC 314-24-070				
WAC 314-24-115				
WAC 314-24-120				
WAC 314-24-140				
WAC 314-24-160				
WAC 312-24-161				
[WAC 314-24-161]				
WAC 314-24-220				
WAC 314-25-020				
WAC 314-25-030				
WAC 314-25-040				
WAC 314-28-050				
<b><u>Sampling/tasting/food offerings violations.</u></b>				
RCW 66.20.010	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<a href="#">RCW 66.24.140</a>				
RCW 66.24.145				
<a href="#">RCW 66.24.1471</a>				
RCW 66.24.170				
RCW 66.28.040				
RCW 66.28.150				
WAC 314-20-015				
WAC 314-24-160				
<a href="#">WAC 314-28-065</a>				
<a href="#">WAC 314-28-067</a>				
WAC 314-45-010				
Chapter 314-64 WAC				

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

<b>Violation type</b>	<b>1st Violation</b>	<b>2nd Violation in a two-year window</b>	<b>3rd Violation in a two-year window</b>	<b>4th Violation in a two-year window</b>
<b>Entertainment/instruction/meeting/trade show violations.</b> RCW 66.20.010 RCW 66.28.010 RCW 66.28.042 RCW 66.28.043 RCW 66.28.150 RCW 66.28.155 WAC 314-45-010	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Providing/accepting money or money's worth: Goods or services worth up to \$1,500.</b> RCW 66.28.010 WAC 314-12-140 WAC 314-44-005	3 day suspension or \$500 monetary option	5 day suspension or \$2,500 monetary option	10 day suspension or \$5,000 monetary option	20 day suspension or \$10,000 monetary option
<b>Providing/accepting money or money's worth: Goods or services worth over \$1,500.</b> RCW 66.28.010 WAC 314-12-140 WAC 314-44-005	Cost of item or service provided plus: 3 day suspension or \$1,000 monetary option	Cost of item or service provided plus: 5 day suspension or \$2,500 monetary option	Cost of item or service provided plus: 10 day suspension or \$5,000 monetary option	Cost of item or service provided plus: 20 day suspension or \$10,000 monetary option
<b>Providing/accepting exclusive or contingency agreements.</b> RCW 66.28.010 RCW 66.24.570 WAC 314-12-140 WAC 314-05-030	3 day suspension or \$1,000 monetary option	10 day suspension or \$6,000 monetary option	20 day suspension or \$12,000 monetary option	30 day suspension or \$20,000 monetary option
<b>Unauthorized interest or ownership in retail license.</b> RCW 66.28.010 WAC 314-12-030	3 day suspension or \$1,000 monetary option	30 day suspension or \$20,000 monetary option	Cancellation of license	
<a href="#"><u>Failure to follow stock-keeping unit requirements.</u></a> <a href="#"><u>RCW 66.24.140</u></a> <a href="#"><u>RCW 66.24.145</u></a> <a href="#"><u>WAC 314-28-065</u></a>	<a href="#"><u>3 day suspension or \$500 monetary option</u></a>	<a href="#"><u>5 day suspension or \$2,500 monetary option</u></a>	<a href="#"><u>10 day suspension or \$5,000 monetary option</u></a>	<a href="#"><u>20 day suspension or \$10,000 monetary option</u></a>
<a href="#"><u>Failure to maintain 30% annual sales limit: Up to 40% of overall gross revenue per tasting room derived from</u></a>	<a href="#"><u>5 day suspension or \$2,500 monetary option</u></a>	<a href="#"><u>10 day suspension or \$5,000 monetary option</u></a>	<a href="#"><u>20 day suspension or \$10,000 monetary option</u></a>	

**THIS IS NOT A RULE PROPOSAL**

**THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES**

11/02/2020

V 1.0

<b>Violation type</b>	<b>1st Violation</b>	<b>2nd Violation in a two-year window</b>	<b>3rd Violation in a two-year window</b>	<b>4th Violation in a two-year window</b>
<u><a href="#">sales of spirits for on-premises consumption</a></u> <u><a href="#">RCW 66.24.140</a></u> <u><a href="#">RCW 66.24.145</a></u> <u><a href="#">WAC 314-28-065</a></u>				
<u><a href="#">Failure to maintain 30% annual sales limit: Over 40% of overall gross revenue per tasting room derived from sales of spirits for on-premises consumption</a></u> <u><a href="#">RCW 66.24.140</a></u> <u><a href="#">RCW 66.24.145</a></u> <u><a href="#">WAC 314-28-065</a></u>	<u><a href="#">10 day suspension and 30% of gross sales over the 30% annual sales limit</a></u>	<u><a href="#">20 day suspension and 40% of gross sales over the 30% annual sales limit</a></u>	<u><a href="#">30 day suspension and 50% of gross sales over the 30% annual sales limit</a></u>	
<b>Failure to obtain surety bond/savings account, if required by the board.</b> RCW 66.24.210 RCW 66.24.290 WAC 314-19-020	Immediate suspension of license until surety bond has been obtained and all missing reports are filed and late taxes are paid.			
<b>Failure to file tax/shipment report.</b> RCW 66.24.210 RCW 66.24.290 WAC 314-19-005 WAC 314-19-010 WAC 314-19-020	3 day suspension or \$250 monetary option	5 day suspension or \$500 monetary option	10 day suspension or \$1,000 monetary option	20 day suspension or \$2,000 monetary option
<b>Certificate of approval (COA) and/or authorized representative violations.</b> RCW 66.24.206 WAC 314-19-005 WAC 314-19-010 WAC 314-19-020	15 day suspension or \$100 monetary option	30 day suspension or \$500 monetary option	180 day suspension or \$1,000 monetary option	Cancellation of license

[Statutory Authority: RCW 66.08.030. WSR 09-21-050, § 314-29-035, filed 10/14/09, effective 11/14/09. Statutory Authority: RCW 66.08.030, 66.24.010, 66.24.120. WSR 03-09-015, § 314-29-035, filed 4/4/03, effective 5/5/03.]

**THIS IS NOT A RULE PROPOSAL**

*THESE ARE CONCEPTUAL DRAFT RULES DESIGNED FOR DISCUSSION ONLY  
REGARDING IMPLEMENTATION OF E2SSB 5549 DISTILLERIES*

11/02/2020

V 1.0

**REPEAL WAC 314-28-095 Farmer's market spirits sales.**

DRAFT