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HOUSE BILL 1004

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State of Washington

66th Legislature

2019 Regular Session

By Representatives Ryu, Young, Kirby, Vick, Blake, and Jenkin

Prefiled 12/04/18.

1 AN ACT Relating to theater licenses; and amending RCW 66.24.655  
2 and 66.24.650.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 66.24.655 and 2013 c 237 s 1 are each amended to  
5 read as follows:

6 (1) There is a theater license to sell spirits, beer, including  
7 strong beer, or wine, or all, at retail, for consumption on theater  
8 premises.

9 (a) A spirits, beer, and wine theater license may be issued  
10 (~~only~~) to theaters (~~that have no more than one hundred twenty~~  
11 ~~seats per screen and~~) that are maintained in a substantial manner as  
12 a place for preparing, cooking, and serving complete meals and  
13 (~~providing tabletop accommodations for in-theater dining~~) meet the  
14 requirements of (b) of this subsection. However, theaters with no  
15 more than four screens that provide tabletop service are exempt from  
16 the requirements of (b)(ii) of this subsection. Requirements for  
17 complete meals are the same as those adopted by the board in rules  
18 pursuant to chapter 34.05 RCW for a spirits, beer, and wine  
19 restaurant license authorized by RCW 66.24.400. The annual fee for a  
20 spirits, beer, and wine theater license is two thousand dollars.

21 (b) A spirits, beer, and wine theater licensee must:

1 (i) Serve alcoholic beverages in distinctive glassware that is  
2 visibly different from glassware containing nonalcoholic beverages.  
3 Glassware for beer shall not exceed a standard twenty-four ounce  
4 size, glassware for cocktails shall not exceed a sixteen ounce size,  
5 and glassware for wine shall not exceed a ten ounce size. No drink  
6 containing distilled spirits shall exceed three ounces of spirits and  
7 must be one hundred proof or less;

8 (ii) Separate the bar and lounge area from the concession stand.  
9 No alcoholic beverages may be sold from any temporary location on the  
10 premises including, but not limited to, mobile bars, ice buckets, and  
11 hawkers;

12 (iii) Not hold promotions that encourage intoxication or drinking  
13 contests. Each customer must be physically present and age verified  
14 at the time of order for any alcoholic beverage; and

15 (iv) Ensure that all managers and staff who interact with guests  
16 complete a responsible service of alcohol course within thirty days  
17 of hire. The course must teach the managers and staff to identify  
18 minors and prevent them from purchasing alcoholic beverages, and  
19 identify the signs of intoxication and prevent service to intoxicated  
20 individuals.

21 (2) If the theater premises is to be frequented by minors, an  
22 alcohol control plan must be submitted to the board at the time of  
23 application. The alcohol control plan must be approved by the board  
24 and be prominently posted on the premises, prior to minors being  
25 allowed.

26 (3) For the purposes of this section:

27 (a) "Alcohol control plan" means a written, dated, and signed  
28 plan submitted to the board by an applicant or licensee for the  
29 entire theater premises, or rooms or areas therein, that shows where  
30 and when alcohol is permitted, where and when minors are permitted,  
31 and the control measures used to ensure that minors are not able to  
32 obtain alcohol or be exposed to environments where drinking alcohol  
33 predominates.

34 (b) "Theater" means a place of business where motion pictures or  
35 other primarily nonparticipatory entertainment are shown.

36 (4) The board must adopt rules regarding alcohol control plans  
37 and necessary control measures to ensure that minors are not able to  
38 obtain alcohol or be exposed to areas where drinking alcohol  
39 predominates. All alcohol control plans must include a requirement

1 that any person involved in the serving of spirits, beer, and/or wine  
2 must have completed a mandatory alcohol server training program.

3 (5) (a) A licensee that is an entity that is exempt from taxation  
4 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue  
5 code of 1986, as amended as of January 1, 2013, may enter into  
6 arrangements with a spirits, beer, or wine manufacturer, importer, or  
7 distributor for brand advertising at the theater or promotion of  
8 events held at the theater. The financial arrangements providing for  
9 the brand advertising or promotion of events may not be used as an  
10 inducement to purchase the products of the manufacturer, importer, or  
11 distributor entering into the arrangement and such arrangements may  
12 not result in the exclusion of brands or products of other companies.

13 (b) The arrangements allowed under this subsection (5) are an  
14 exception to arrangements prohibited under RCW 66.28.305. The board  
15 must monitor the impacts of these arrangements. The board may conduct  
16 audits of a licensee and the affiliated business to determine  
17 compliance with this subsection (5). Audits may include, but are not  
18 limited to: Product selection at the facility; purchase patterns of  
19 the licensee; contracts with the spirits, beer, or wine manufacturer,  
20 importer, or distributor; and the amount allocated or used for  
21 spirits, beer, or wine advertising by the licensee, affiliated  
22 business, manufacturer, importer, or distributor under the  
23 arrangements.

24 (6) The maximum penalties prescribed by the board in WAC  
25 314-29-020 relating to fines and suspensions are double for  
26 violations involving minors or the failure to follow the alcohol  
27 control plan with respect to theaters licensed under this section.

28 **Sec. 2.** RCW 66.24.650 and 2013 c 219 s 1 are each amended to  
29 read as follows:

30 (1) There is a theater license to sell beer, including strong  
31 beer, or wine, or both, at retail, for consumption on theater  
32 premises. The annual fee is four hundred dollars for a beer and wine  
33 theater license.

34 (2) If the theater premises is to be frequented by minors, an  
35 alcohol control plan must be submitted to the board at the time of  
36 application. The alcohol control plan must be approved by the board,  
37 and be prominently posted on the premises, prior to minors being  
38 allowed.

39 (3) For the purposes of this section:

1 (a) "Alcohol control plan" means a written, dated, and signed  
2 plan submitted to the board by an applicant or licensee for the  
3 entire theater premises, or rooms or areas therein, that shows where  
4 and when alcohol is permitted, where and when minors are permitted,  
5 and the control measures used to ensure that minors are not able to  
6 obtain alcohol or be exposed to environments where drinking alcohol  
7 predominates.

8 (b) "Theater" means a place of business where motion pictures or  
9 other primarily nonparticipatory entertainment are shown(~~(, and~~  
10 ~~includes only theaters with up to four screens)~~).

11 (4) The board must adopt rules regarding alcohol control plans  
12 and necessary control measures to ensure that minors are not able to  
13 obtain alcohol or be exposed to areas where drinking alcohol  
14 predominates. All alcohol control plans must include a requirement  
15 that any person involved in the serving of beer and/or wine must have  
16 completed a mandatory alcohol server training program.

17 (5) (a) A licensee that is an entity that is exempt from taxation  
18 under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue  
19 code of 1986, as amended as of January 1, 2013, may enter into  
20 arrangements with a beer or wine manufacturer, importer, or  
21 distributor for brand advertising at the theater or promotion of  
22 events held at the theater. The financial arrangements providing for  
23 the brand advertising or promotion of events may not be used as an  
24 inducement to purchase the products of the manufacturer, importer, or  
25 distributor entering into the arrangement and such arrangements may  
26 not result in the exclusion of brands or products of other companies.

27 (b) The arrangements allowed under this subsection (5) are an  
28 exception to arrangements prohibited under RCW 66.28.305. The board  
29 must monitor the impacts of these arrangements. The board may conduct  
30 audits of a licensee and the affiliated business to determine  
31 compliance with this subsection (5). Audits may include, but are not  
32 limited to: Product selection at the facility; purchase patterns of  
33 the licensee; contracts with the beer or wine manufacturer, importer,  
34 or distributor; and the amount allocated or used for wine or beer  
35 advertising by the licensee, affiliated business, manufacturer,  
36 importer, or distributor under the arrangements.

37 (6) The maximum penalties prescribed by the board in WAC  
38 314-29-020 relating to fines and suspensions are double for

1 violations involving minors or the failure to follow the alcohol  
2 control plan with respect to theaters licensed under this section.

--- **END** ---