

WASHINGTON STATE LIQUOR CONTROL BOARD 3000 Pacific Are SE • PO Box +3075 Olympia W.4 98504-3075 • (360) 664-1600

Liquor Control Board Policy Number 01-2

Subject of policy:		Floor space requirements and activities on premises with retail liquor licenses			
Effective date:		May 31, 2000			
Ending date:		To remain effective until the completion of rule making			
Scope of policy:		Licensing and Regulation Division employees Enforcement and Education Division employees			
Contact infor	mation:	Licensing Division	360-664-1600		
Approved:		oce, Chairman			
Katherine F		reiter, Board Member			

Purpose statement:

The purpose of Liquor Control Board Policy 1-02 is to clarify current practices regarding retail licensed establishments until rule making on these subjects is completed. Currently these policies are not centrally located, which has caused confusion for staff and customers.

Policy Statements - by subject matter:

1. Dedicated dining area

- If a licensee wishes to have live music (including Karoake), patron dancing, entertainment, or contests involving physical participation by patrons in a dining area after 10 p.m., the licensee must either:
 - a) request board approval to reclassify the dining area to a lounge, thus restricting persons under 21 years of age; or
 - b) notify the Licensing and Regulation Division in writing at least 48 hours in advance that the sale, service, and consumption of liquor will end in the dining room after 10 p.m.
- Per WAC 314-02-130, a licensee may prohibit persons under 21 years of age in their dining area earlier than 10 p.m.

Games in dining areas:

- * Spirits beer and wine restaurant licensees who pay the \$1,000 fee must have 100% dedicated dining. This means they may not have *any* games in their dedicated dining area. They can, however, have: 1) punch boards or bowls of pull tabs that are handed out by an employee from a service bar or food counter (the gambling devices must be kept behind the service bar or food counter at all times when not in use), and 2) games in "neutral" areas such as a waiting area or foyer.
- * If a spirits, beer, or wine restaurant licensee wants to have games in his/her dining area, he/she must pay either the \$1,600 or \$2,000 fee, depending on how much area remains dedicated dining area.
- * A beer and/or wine restaurant licensee may have games in their dining area. A limited number of games may be allowed along the periphery of the dining area, as approved on the premises' floor plan by the Licensing and Regulation Division. The games are considered a secondary activity, and must not interfere with the service and consumption of food.

Rules relevant to policy:

- WAC 314-02-130 What types of changes to a licensed premises require board approval?
- WAC 314-02-010(3) Definition of a dedicated dining area (states that "In order for an area to qualify as a dedicated dining area, it must be a distinct portion of a restaurant that is used primarily for the sale, service, and consumption of food, and have accommodations for eating, e.g., tables, chairs, booths, etc.")
- WAC 314-02-020 What are the fee categories for a spirits, beer, and wine restaurant license?

Game rooms

- A licensee must request Board approval to continue liquor service in a game room or casino area after 10 p.m. and still have persons under 21 years of age present.
- Game rooms must be separated from lounges and dedicated dining areas with the required barriers.

Rule relevant to policy:

WAC 314-02-130 - What types of changes to a licensed premises require board approval?

3. Barriers

- Barriers must be at least 42" high.
- A licensee can't use a bar or a drinking ledge as a barrier.
- "Restricted area entrances may be no wider than ten feet" means the total openings along one wall cannot exceed ten feet. In other words, along one wall a licensee can't have one six foot opening, then two feet of wall, and then a six foot opening.

Rule relevant to policy:

- WAC 314-16-196(3) Spirits, beer, and wine restaurant--Floor space requirements
 This rule states that "The boundary of a cocktail lounge or other restricted area shall be clearly defined as a separate and distinct area by fixed or movable barriers, including, but not limited to, railings, ropes and stanchions, shrubbery or other closely placed plantings, etc.
 - (a) Restricted area entrances may be no wider than ten feet.
 - (b) Minor prohibited signs as required by WAC 314-16-025 must be placed at all restricted area entrances and other locations as necessary.
 - (c) The licensee is responsible to construct and post restricted area boundaries to reasonably prevent unauthorized persons from entering such areas."

Washington State Liquor Control Board

Notice of Rule Change – Explanatory Statement On-premise Restaurant License Requirements

This explanatory statement concerns the Washington State Liquor Control Board's adoption of changes to rules regarding On-premise Restaurant License Requirements.

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 November 21, 2005).

The Liquor Control Board appreciates your involvement in this rule making process. If you have any questions, please contact Pam Madson, Rules Coordinator, at (360) 664-1648 or e-mail at rules@liq.wa.gov.

What are the agency's reasons for revising these rules?

Rule making is needed for on-premise restaurant licenses to:

- Place current policies into rule and eliminate some existing policies; and
- Clarify existing rules.

These rule changes and new rules will:

- 1. Place the current Board policy regarding minors and alcohol service after 11:00 p.m. (rather than 10 p.m.) into rule. For licensees that have live entertainment in a dining area where minors are permitted after 11 p.m. with alcohol service, the licensee must either:
 - Request that the dining area be reclassified as a lounge for the period of time that live entertainment is conducted which restricts minors from being present; or
 - Notify the Board in writing at least 48 hours in advance that the sales, service, and consumption of alcohol will end in that area after 11 p.m.

Change resulting from stakeholder input: Changed the time from 10 p.m. to 11 p.m.

- 2. **Place barrier requirements into rule.** Current policy requires that barriers be fixed as opposed to movable. Restaurants that were previously approved for moveable barriers may keep them until alterations for the space are requested or the premises changes ownership.
- 3. **Place "primary entrance" policy into rule.** Current policy requires restaurants that allow minors to have their floor plans set up so that minors can access non-restricted areas. A business's primary entrance must open directly into a dining area, or to a neutral area such as a lobby that leads to the dining area, and not into a restricted area.
- 4. **Further define terms including "dedicated dining area", "food counters", "liquor bars", and "game rooms".** The fee for a spirits, beer, and wine restaurant license is based on a business's percentage of dedicated dining area. The definition of "dedicated dining area" is clarified. Different types of "bars" may or may not be used in the presence of minors. "Liquor bars" are not allowed where minors are present. "Food counters" and "service bars" are allowed where minors are present.

Change resulting from stakeholder input: "Food counter" is further distinguished from "liquor bars" and "service bars". The calculation and use of dedicated dining area is further clarified.

- 5. **Discontinue current policy regarding minors in game rooms.** A current policy requires restaurants with game rooms to:
 - Discontinue liquor service in the game room if minors are allowed in the game room after 10 p.m., or
 - Restrict minors from the game room and continue liquor service.

This policy is discontinued. The policy was based on the concept of a game room being closed off and licensees, employees, and officers could not properly monitor youth access to alcohol. This policy has caused confusion among licensees, LCB officers, and local law enforcement.

Rather, the general guideline under Chapter 314-11 WAC will apply in this circumstance. The guideline states that licensees and employees must have visual access to areas where liquor is sold and consumed so they can monitor alcohol service.

6. Clarify meal service requirements for spirits, beer, and wine restaurants.

The current rule requires licensees to serve at least five complete meals, but states that one of the meals can be a sandwich or deep fried food. This effectively is a

requirement for four complete meals. The new rule states that spirits, beer, and wine restaurants must serve at least four complete meals during the times listed in the rule. There is no change for licensees from current practice under this change in language.

Summary of all public comments received on this rule proposal, by subject matter.

WAC 314-02-010 - Definitions

Comment:

1. The definitions for "dedicated dining area", "food counters", "liquor bars", and "game rooms" are too restrictive for use in a hotel setting. Hotels are designed to use space for a variety of purposes. Designation of space for a particular use (liquor bar or lounge), precludes that area from being used at a different time (breakfast) for meal service that includes minors.

Response: The definitions are intended to help identify those places where access to minors is restricted. These definitions apply to all licensees holding a spirits, beer, and wine restaurant license. Space may be designated as restricted for certain hours during the day and certain days during a week. An area may be used and designated for liquor service with no access to minors in the evening and then used by adults and minors in the morning for breakfast. The Board encourages licensees to work with staff of the Licensing and Regulation Division to look at alternative arrangements.

WAC 314-02-014 — What is a food counter, liquor bar, and a service bar and are minors allowed in these areas? Comment:

2. A food counter is a table or counter set up primarily for the service of food to customers. Food counters are allowed in areas where minors are present. Under the proposed rules, both liquor and food can be served from a food counter. Where insufficient enforcement resources are dedicated to policing this requirement, this is particularly risky.

Response: A food counter differs from a liquor bar and a service bar in that alcoholic beverages are not prepared at a food bar. A food bar can be compared to a dining table in a restaurant where minors and adults are seated together and alcoholic drinks may be served to the adult customers but where alcoholic beverages are not prepared. Staff is proposing modified language to help clarify this distinction. The Board appreciates that the language of the existing proposal may be unclear.

WAC 314-02-015 - What is a spirits, beer, and wine restaurant license? Comment:

3. This rule allows a spirits, beer, and wine restaurant licensee to sell Washington wine with the restaurant's own label for off-premise consumption. Otherwise, sale of alcohol for off-premise consumption by the spirits, beer, and wine restaurant licensee is prohibited. Hotels would like to sell Washington wine in the hotel gift shops. Hotels frequently have large inventories of wine for parties, dinners, and similar events which could be used for this purpose.

Response: Spirits, beer, and wine restaurant licenses are on-premise licenses with one exception. The legislature has allowed a licensee to sell wine by the bottle under a private label for that restaurant. Current law (rather than rule) only provides for the sale of wine in a hotel gift shop under a Beer and/or Wine Specialty Shop license which requires that the gift shop maintain its own inventory separate from a licensed restaurant. Such a change would require legislative approval.

WAC 314-02-025(2) — What are the floor space requirements to obtain and maintain a spirits, beer, and wine restaurant license or a beer and wine restaurant license? (11 p.m. rule)

Comment:

4. Hotels are concerned that excluding minors or limiting live entertainment in a dedicated dining area will impact private family parties, weddings or wedding receptions in a meeting room or restaurant where minors are present.

Response: (Staff recommends that the restrictions on access to minors and the service of alcohol-10 p.m. rule be changed to 11 p.m.) This rule does not affect banquet rooms, meeting rooms or areas other than dedicated dining areas. This rule does not apply to a private party. It applies to dedicated dining areas in a liquor licensed premises which are open to the public. Dedicated dining areas may be closed for private events by notifying the local liquor law enforcement agent prior to the event in which case the 11 p.m. rule does not apply.

Comment:

- 5. The options for allowing minors and live entertainment in the dedicated dining area after 10:00 p.m. include requesting that the dining area be reclassified as a lounge thus restricting access by minors or notifying the LCB at least 48 hours in advance of the event that alcohol consumption will cease in that area after 10:00 p.m.
- (a) This presents a lot of paperwork for the hotel as it books events (parties and receptions) and increased paperwork for the LCB.
- (b) Is the request for restricting access to minors after 10:00 p.m. a permanent change or can a request be made for just those nights that the licensee offers live entertainment?

Response: (Staff recommends that the restrictions on access to minors and the service of alcohol -10 p.m. rule - be changed to 11 p.m.)

(a) This rule only applies to events in the dedicated dining area.

(b) A request to reclassify a dedicated dining area can be for a particular date, day, times during the day, or a schedule of days (e.g., every Sunday morning). One reclassification may cover more than one day. Staff is proposing a change in language to clarify this rule.

Comment:

6. The rule is not clear that the 10:00 p.m. limitation applies to activity in a dedicated dining area.

Response: (Staff recommends that the restrictions on access to minors and the service of alcohol -10 p.m. rule - be changed to 11 p.m.) Staff recommends that the rule language be clarified. (See WAC 314-02-025(2))

Comment:

7. Having only two options for dealing with minors and alcohol service after 10:00 p.m. reduces flexibility for family-style events at hotels, restaurants, and tour and special event cruises. Moving the time from 10:00 p.m. to 11:00 p.m. would provide flexibility to these businesses and reduce requests for reclassification or notification to the Board. The Licensee Task Force of the Washington Restaurant Association supports the adoption of an 11:00 p.m. time limit.

Response: Staff recommends that the Board change the restriction to minors and alcohol service from 10 p.m. to 11 p.m. This change reflects stakeholder information and LCB experience that restaurants continue food service for dining later in the evening. The point at which a restaurant is open primarily for entertainment rather than food service is closer to 11 pm rather than 10 pm.

Comment:

8. Since there is such a range of live entertainment offered in restaurant settings, should the 10:00 p.m. rule be limited to licensees that have the following characteristics: a) provides live entertainment by paid performing artists or by recorded music conducted by a person engaged to do so; b) has a primary source of revenue from the sales of beverages or cover charges or both; c) has an occupant load of 100 or more where the occupancy load for any portion of the occupancy is calculated at one person per ten square feet or less. Violation history of the establishment may also be a factor.

Response: To apply the 11 pm rule to premises with these characteristics will not address all the problem venues and licensees.

Comment:

9. Since live entertainment in the dedicated dining area of a restaurant may not occur every day the restaurant is open, having an annual notice that minors are restricted on specific days at specific times would help licensees.

Response: This is already possible under existing rules. Currently, a licensee has the option of requesting reclassification of the dedicated dining area to a lounge when there is live entertainment after 10 pm. Current rules do allow for the licensee to notify the LCB of reclassification either on a permanent basis, or for a particular event or for recurring events. One notice may include multiple days and times that live entertainment will occur and that access by minors to the area will be restricted. Staff has proposed language to clarify the rule.

Comment:

10. Veteran's organizations play an important role as a support network for veterans and provide these veterans a place to go. The locations where these organizations operate, like the VFW and the American Legion, and are used by young vets and their spouses may have to deny access to these vet friendly locations after 10 p.m.

Response: VFW and American Legion and similar fraternal order organizations hold a private club licenses. Many of these facilities have dedicated dining area separate from the lounge area. Alcohol service in the lounge areas do not prohibit minor's access in dedicated dining areas unless there is live entertainment in that area after 11 p.m. It would not prohibit access by minors to other areas of the premises.

WAC 314-02-025(3) - Barriers

Comment:

11. Current policy requires that barriers must be fixed and not moveable. Restaurants that were previously approved for moveable barriers may keep them until the space is remodeled or the ownership changes. The use of space in a hotel is different from the use of space in a traditional restaurant. Depending on the number of guests and type of event, the space configuration needs to change. Fixed barriers do not work in a hotel setting.

Response: The rule is intended to apply to all on-premises licensed establishments. The experience of the LCB with movable barriers is that licensees move barriers and do not maintain the integrity of the dedicated dining area. When barriers are moved, dedicated dining area is decreased in relation to the lounge area which can affect the licensee's fee category (fee is based on the ratio of dedicated dining area to the entire customer service area). In order to maintain the integrity of these requirements, LCB believes it is necessary to require fixed barriers.

This proposal differs from the previous version, which had required a full wall to act as a barrier. The current proposal only requires fixed barriers at least 42 inches high. LCB

has approved floor plans for hotels where the licensee has used brass railings, partial walls with planter boxes, and glass partitions. These types of barriers would meet the fixed barrier requirement.

Comment:

12. The proposed rules require that barriers separating areas restricted to minors from non-restricted areas be "substantial". A definition that captures the intent of this requirement will be beneficial to all concerned. That definition could include that the barrier be sufficient to prevent the transfer of beverage containers.

Response: Staff proposes that the reference to "substantial" be removed in that barriers are sufficiently described as being 42 inches high and must clearly separate restricted areas from non-restricted areas.

Comment:

13. How do the proposed rules apply to outside/sidewalk eating areas and are they treated differently if the sidewalk area has access to a minor restricted area?

Response: Outside service (such as a patio, deck) is an extension of the interior service area; therefore, there must be at least one access path from the interior. If that access is from a restricted interior area, then the outside service is also restricted to minors. This is a current requirement and does not change under the proposed rules.

Comment:

14. Game rooms will be regulated under Chapter 314-11 WAC which requires that licensees and employees have visual access to areas where liquor is sold and consumed so that they can monitor alcohol service. Can a licensee use video monitoring in lieu of or together with direct viewing?

Response: Video monitoring does not allow adequate licensee control of the activities in a separate room where both minors and alcohol are allowed.

Comment:

15. Subsection (d) restricts entrances to restricted areas to be no wider than 10 feet. Use of a 10 foot maximum seems too restrictive and does not allow for flexibility in design. Larger facilities may need more entrance space. Entrances are shown on floor plans submitted to the Board and are known to the Board for enforcement purposes. Building codes also address the width of doors. With these and other regulations, this requirement is unnecessary and should be eliminated.

Response: LCB's experience with taverns converting to spirits, beer, and wine restaurants affirms the need for a requirement for a maximum length limit for entrances to restricted areas in a spirits, beer, and wine restaurant.

<u>WAC 314-02-035 – What are the food service requirements for a spirits, beer, and wine restaurant licenses?</u>

Comment:

- 16. A complete meal includes an entrée and an additional course. Under a spirits, beer, and wine restaurant license, the licensee must serve 4 complete meals. An entrée requires the use of a dining implement to eat and cannot be a hamburger, sandwich, salad, or fry order. These definitions may not be sufficient.
- (a) Is an item like a pizza an entrée?
- (b) If the menu includes 32 different sandwiches, does each one qualify as a complete meal if served with an additional course to satisfy the 4 complete meal requirement?

Response: (a) No. The LCB has not considered pizza (under existing WAC) to qualify as an entrée. The new rules would not change this. (b) No. A sandwich does not qualify as a complete meal. In order for an establishment to meet the definition of "restaurant" under RCW 66.24.410, it must serve **more than** sandwiches, hamburgers, or salads. Four complete meals are required for a food service business to qualify as a restaurant.

Comment:

17. Subsection (8) allows the Board to grant exceptions to the rule that restaurants with less than 100% dining area must maintain complete meal service for a minimum of 5 hours a day on any day liquor is served. The exceptions may be based on demonstrated hardship. What constitutes hardship?

Response: "Hardship" means something that is outside the licensee's control. The LCB has granted exceptions in cases where seasonal establishments are operating, such as a ski-lodge. Historically, "hardships" have been granted for the requirement that a spirits, beer, and wine restaurant be open five hours a day between 11:00 a.m. and 11:00 p.m., five days a week. During the off-season some resort facilities only operate on weekend days.

Comment:

18. The Board's ability to grant a hardship exemption does not allow for local government input before the hardship is granted. Since liquor law enforcement has come to rely on local law enforcement assistance, and assuming that exceptions may sometimes swallow the rule, local jurisdictions affected by the establishments should have an opportunity to bring relevant information to the Board before an exemption is granted.

Response: The Board receives very few requests a year for hardship exceptions. They are typically associated with seasonal facilities like ski lodges. They are requests to operate less than 5 days a week rather than less than 5 hours a day. "Hardship" exceptions have not been requested by businesses in urban areas. The exception is granted for conditions outside the licensee's control and usually for a temporary period of time (seasonal changes in public traffic through an area).

Public Comment Participant List

Name and Affiliation

Written comments

Liz Bolian, General Manager, Best Western River's Edge, Tukwila, WA Mike Barnes, Hilton Garden Inn Ralph Pease, VP of Operations, Argosy Cruises, Seattle, WA Bart Santiago, Director of Finance, Doubletree & Hilton Seattle Airport Michael Transue, Washington Restaurant Association, Ruston, WA Thomas Carr, Seattle City Attorney, Seattle, WA Tom Alt III
Eve Mekerdichian, Hilton Hotel Corporation

Testimony at Public Hearing – July 20, 2005, Olympia, WA

T. K. Bentler, Washington State Hotel & Lodging Association, Olympia, WA **Lyle Hildahl**, Skagit Valley College, Mount Vernon, WA

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-010 Definitions. The following definitions are to clarify the purpose and intent of the rules and laws governing liquor licenses and permits. Additional definitions can be found in RCW 66.04.010.

- (1) "Banquet room" means any room used primarily for the sale and service of food and liquor to private groups.
- (2) "Customer service area" means areas where food and/or liquor are normally sold and served to the public, i.e., lounges and dining areas. A banquet room is not considered a customer service area.
- (3) "Dedicated dining area." In order for an area to qualify as a dedicated dining area, it must be a distinct portion of a restaurant that is used primarily for the sale, service, and consumption of food, and have accommodations for eating, e.g., tables, chairs, booths, etc. See WAC 314-02-025 for more information.
- (4) "Food counter" means a table or counter set up for the primary purpose of food service to customers who sit or stand at the counter. Any alcohol served is incidental to food service.
- (5) "Game room" means an area of a business set up for the primary purpose of patrons using games or gaming devices.
- $\underline{(6)}$ "Liquor" means beer, wine, or spirits (per RCW 66.04.010(19) Definitions).
- (((5))) (7) "Liquor bar" means a table or counter where alcohol is stored or prepared and served to customers who sit or stand at the bar. Liquor bars can only be in lounges or in premises where minors are not allowed at any time.
- (8) "Lounge" means the portion of a restaurant used primarily for the preparation, sale, and service of beer, wine, or spirits. ((Persons under twenty-one years of age)) Minors are not allowed in a lounge (see RCW 66.44.316 for information on employees and professional musicians under twenty-one years of age).
 - (9) "Minor" means a person under twenty-one years of age.
- (10) "Service bar" means a fixed or portable table, counter, cart, or similar work station primarily used to prepare, mix, serve, and sell alcohol that is picked up by employees or customers. Customers may not be seated or allowed to consume food or alcohol at a service bar.

NEW SECTION

WAC 314-02-014 What is a food counter, a liquor bar, and a service bar and are minors allowed in these areas?

A food counter is a table or	Allowed in areas where minors are permitted?	Area where alcoholic beverages are prepared.
counter set up for the primary purpose of food service to customers who sit or stand at the counter. Any alcohol served is incidental to food service. Alcoholic beverages are not prepared at a food counter.	y CS	
A liquor bar is a table or counter where alcohol is stored or prepared and served to customers who sit or stand at the bar. This includes alcohol dispensers that are placed on or attached to the table or counter. Liquor bars can only be in lounges or in premises where minors are not allowed at any time.	no	yes
A service bar is a fixed or portable table, counter, cart, or similar work station primarily used to prepare, mix, serve, and sell alcohol that is picked up by employees or customers. Customers may not be seated or allowed to consume food or alcohol at a service bar.	yes	yes

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-015 What is a spirits, beer, and wine restaurant license? (1) Per RCW 66.24.400, this license allows a restaurant to:

- (a) Serve spirits by the individual serving for on-premises consumption;
- (b) Serve beer by the bottle or can or by tap for onpremises consumption; and
- (c) Serve wine for on-premises consumption (see RCW 66.24.400 regarding patrons removing recorked wine from the premises).
- (2) Per RCW 66.24.400, this license prohibits licensees from selling alcohol for off-premises consumption except for a licensee having an endorsement that allows the licensee to sell, for off-premises consumption, wine vinted and bottled in the state of Washington that has a label exclusive to the licensee's restaurant.
- (3) To obtain and maintain a spirits, beer, and wine restaurant license, the restaurant must be open to the public at least five hours a day during the hours of 11:00 a.m. and 11:00 p.m., five days a week. The board may consider written requests for exceptions to this requirement due to demonstrated hardship, and may grant an exception under such terms and conditions as the board determines are in the best interests of the public.
- (4) All applicants for a spirits, beer, and wine license must establish, to the satisfaction of the board, that the premises will operate as a bona fide restaurant. The term "bona fide restaurant" is defined in RCW 66.24.410(2).

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-020 What are the fee categories for a spirits, beer, and wine restaurant license? (1) Per RCW 66.24.420, the annual fee for a spirits, beer, and wine restaurant license is graduated, as follows:

Amount of customer service area dedicated to dining	Annual fee
100%	\$1,000
50 - 99%	\$1,600
Less than 50%	\$2,000

- (2) In order for an area to qualify as a dedicated dining area it must be a separate and distinct portion of a restaurant that is used primarily for the sale, service, and consumption of food, and have accommodations for eating, e.g., tables, chairs, booths, etc. Areas dedicated to live music or entertainment, such as dance floors or stages are not considered dedicated dining areas. Dedicated dining areas may not contain:
- (a) Liquor bars (see definition under WAC 314-02-010(2)); or
 - (b) Areas dedicated to games or gaming devices.
- (3) The fee for a spirits, beer, and wine restaurant license outside of an incorporated city or town will be prorated according to the calendar quarters the licensee is open for business. This proration does not apply in the case of a suspension or revocation of the license.
- (4) A duplicate license is required in order to sell liquor from more than one site on your property. These sites must be located on the same property and owned by the same licensee. The following types of businesses may apply for a duplicate license:

Type of Business	Annual fee per duplicate license
Airport terminal	25% of annual license fee
Civic center (such as a convention center)	\$10
Privately owned facility open to the public	\$20

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

wac 314-02-025 What are the floor space requirements to obtain and maintain a spirits, beer, and wine restaurant license or a beer and wine restaurant license? (1) The liquor control board has the responsibility to classify what licensed premises or what portions of the licensed premises are off-limits to minors. (RCW 66.44.310(2)) Minors may not purchase, possess, or consume liquor, and may not enter any areas that are classified as off-limits to minors. (RCW 66.44.290 and 66.44.310) The purpose of this rule is to clarify the ways in which licensees can prevent minors from consuming alcohol or entering restricted areas.

- (2) Dedicated dining areas If a spirits, beer, and wine restaurant licensee or a beer and wine restaurant licensee that allows minors chooses to have live music, Karaoke, patron dancing, live entertainment, or contests involving physical participation by patrons in the dedicated dining area after 11:00 p.m., the licensee must either:
- (a) Request board approval to reclassify the dining area to a lounge for the period of time that live entertainment is conducted, thus restricting minors during that time; or
- (b) Notify the board's licensing and regulation division in writing at least forty-eight hours in advance that the sale, service, and consumption of liquor will end in the dedicated dining area after 11:00 p.m.

Request or notifications may cover one event or a series of recurring events over a period of time.

- (3) Barriers Licensees must place ((identifiable)) barriers around game rooms and areas that are ((restricted from persons under twenty-one years of age)) classified as off-limits to minors.
- (a) The barriers must clearly separate restricted areas, and must be at least forty-two inches high.
- (b) The barriers must be permanently affixed (folding or retractable doors or other barriers that are permanently affixed are acceptable). Those licensees that have been approved by the board for moveable barriers prior to the effective date of this rule may keep their movable barriers until the licensee requests alterations to the premises or the premises change ownership.
- (c) Liquor bars cannot be used as the required barriers (see definition of liquor bar in WAC 314-02-010(7)).

- (d) Entrances to restricted areas may not be wider than ten feet. If a licensee has more than one entrance along one wall, the total entrance areas may not exceed ten feet.
- (e) "Minor prohibited" signs, as required by WAC ((314-16-025)) 314-11-060(1), must be posted at each entrance to ((such)) restricted areas.
- (((2))) (4) If the business allows minors, the business's primary entrance must open directly into a dedicated dining area or into a neutral area, such as a lobby or foyer, that leads directly to a dedicated dining area. Minors must be able to access restrooms without passing through a lounge or other agerestricted area.
- (5) Floor plans When applying for a license, the applicant must provide to the board's licensing and regulation division two copies of a detailed drawing of the entire premises. The drawing must:
 - (a) Be drawn one foot to one-quarter-inch scale;
- (b) Have all rooms labeled according to their use; e.g., dining room, lounge, game room, kitchen, etc.; and
- (c) Have all barriers labeled in a descriptive way; e.g., "full wall," "half wall," etc.

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-030 Can a spirits, beer, and wine restaurant exclude persons under twenty-one years of age from the premises? A spirits, beer, and wine restaurant licensee may exclude ((persons under twenty-one years of age)) minors from the entire premises at all times or at certain times as approved by the board.

- (1) To exclude ((persons under twenty-one years of age)) minors from the entire licensed premises at all times or at certain times, the applicant or licensee must:
- (a) Indicate during the liquor license application process that he/she does not wish to have ((persons under twenty-one years of age)) minors on the entire premises at ((any time)) all times or at certain times indicated by the applicant or licensee; or
- (b) If already licensed as a spirits, beer, and wine restaurant that allows ((person under twenty one years of age)) minors, the applicant may request permission from the board's licensing and regulation division to exclude ((persons under

times indicated by the applicant or licensee. See WAC 314-02-130 for instructions on requesting this approval.

- (c) Spirits, beer, and wine restaurant licensees who exclude ((persons twenty-one years of age)) minors from the entire premises at all times or at certain times must((÷
- (i) Place the required barriers around dedicated dining areas (see WAC 314-02-025(1)); and
- $\frac{\text{(ii)}}{\text{(ii)}}$) meet all other requirements of this license, including the food service requirements outlined in WAC 314-02-035.
- (d) During the times that a spirits, beer, and wine restaurant licensee excludes minors from the entire premises, the licensee may not employ minors. (See WAC 314-11-040 for more information on employing minors.)
- (2) Restaurants that have less than fifteen percent of their total customer service area dedicated to dining must exclude ((persons under twenty-one years of age)) minors from the entire premises. The licensee must:
 - (a) Pay the two thousand dollars annual license fee; and
- (b) Meet all other requirements of this license, including the food service requirements outlined in WAC 314-02-035.
- (3) ((To exclude persons under twenty-one years of age from the entire licensed premises during a portion of the day or week or on a one-time-only basis, the applicant or licensee must:
- (a) Request permission from the board, see WAC 314-02-130(1); and
- (b) Meet all other requirements of the license, including the food service requirements outlined in WAC 314-02-035.
- $\frac{(4)}{(314-16-025)}$) 314-11-060(1) regarding requirements for "minors prohibited" signage.

NEW SECTION

WAC 314-02-033 Do spirits, beer, and wine restaurants that exclude minors from the premises have to put barriers around their dedicated dining area(s)? Spirits, beer, and wine restaurant licensees who exclude minors from the entire premises at all times are only required to place the barriers described in WAC 314-02-025(2) around dedicated dining areas for the purpose of paying the one thousand six hundred dollar annual fee. Restaurants that do not allow minors at any time and do not wish to have barriers around their dining area(s) must pay the two thousand dollar annual license fee. (See WAC 314-02-020 for an explanation of fees.)

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

- wac 314-02-035 What are the food service requirements for a spirits, beer, and wine restaurant license? (1) A spirits, beer, and wine restaurant licensee must serve at least four complete meals. Per RCW 66.24.410(2), a complete meal does not include hamburgers, sandwiches, salads, or fry orders. For purposes of this title:
- (a) "Complete meal" means an entree and at least one additional course.
- (b) "Entree" means the main course of a meal. To qualify as one of the four required complete meals, the entree must require the use of a dining implement to eat, and cannot consist of a hamburger, sandwich, salad, or fry order.
- (2) The restaurant must maintain the kitchen equipment necessary to prepare the complete meals required $((\frac{by}{y}))$ under this section and RCW 66.24.410(2) $((\frac{and WAC 314-16-190}{2}))$.
- $((\frac{(2)}{(2)}))$ The complete meals must be prepared on the restaurant premises.
- $((\frac{3}{3}))$ <u>(4)</u> A chef or cook must be on duty while complete meals are offered.
- ((4))) (5) A menu must be available to customers that lists, at a minimum, the required complete meals.
- ((+5))) <u>(6)</u> The food items required to maintain the menu must be on the restaurant premises. These items must be edible.
- (((6))) Restaurants that have one hundred percent dedicated dining area must maintain complete meal service any time liquor is available for sale, service, or consumption.
- (((7))) (8) Restaurants with less than one hundred percent dedicated dining area (restaurants in the one thousand six hundred dollar or two thousand dollar fee category) must maintain complete meal service for a minimum of five hours a day during the hours of 11:00 a.m. and 11:00 p.m. on any day liquor is served. The board may consider written requests for exceptions to this requirement due to demonstrated hardship, under such terms and conditions as the board determines are in the best interests of the public.
- (a) Minimum food service, such as sandwiches, hamburgers, or fry orders, must be available outside of these hours.
- (b) Snacks such as peanuts, popcorn, and chips do not qualify as minimum food service.

 $((\frac{(8)}{(8)}))$ (9) The hours of complete meal service must be conspicuously posted on the premises or listed on the menu. If applicable, a statement that minimum food service is available outside of those hours must also be posted or listed on the menu.

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-045 What is a beer and/or wine restaurant license? (1) Per RCW 66.24.320 and 66.24.354, this license allows a restaurant to:

Privilege	Annual fee
(a) Serve beer by the bottle or	\$200
can or by tap for on-premises	
consumption.	
(b) Serve wine for on-premises	\$200
consumption (see RCW	
66.24.320 regarding patrons	
removing recorked wine from	
the premises).	
(c) Sell beer and/or wine in the	\$120
original, unopened containers for	
off-premises consumption.	
(d) Sell tap beer for off-premises	In
consumption in a sanitary	conjunction
container holding less than four	with off-
gallons of beer, and brought to	premises
the premises by the purchaser.	privilege
	outlined in
	subsection
	(c).
(e) Sell beer in kegs or other	In
containers holding at least four	conjunction
gallons of beer (see WAC 314-	with off-
02-115 regarding the	premises
requirements for registering	privilege
kegs).	outlined in
	subsection
·	(c).

- (2) All applicants for a beer and/or wine restaurant license must establish, to the satisfaction of the board, that the premises will operate as a bona fide restaurant, as defined in RCW 66.04.010(((29+)))(30).
- (3) If a beer and/or wine restaurant's dedicated dining area comprises less than fifteen percent of the total customer service area, the premises must maintain a tavern license (see WAC 314-02-070 regarding the tavern license).

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-055 Can a beer and/or wine restaurant exclude ((persons under twenty-one years of age)) minors from the dining area? (1) To exclude ((persons under twenty-one years of age)) minors from the dining area during a portion of the day or week or on a one-time-only basis, the applicant or licensee must request permission from the board (see WAC 314-02-130(1)).

(2) See WAC $((\frac{314-16-025}{0.0000}))$ 314-11-060(1) regarding requirements for "minors prohibited" signage.

AMENDATORY SECTION (Amending WSR 00-07-091, filed 3/15/00, effective 4/15/00)

WAC 314-02-095 What is a public house license? (1) Per RCW 66.24.580, a public house licensee is allowed to:

- (a) Manufacture between two hundred fifty gallons and two thousand four hundred barrels of beer on the premises per year;
- (b) Serve beer by the bottle or can or by tap for on-premises consumption; and
- (c) Serve wine for on-premises consumption (see RCW 66.24.320 regarding patrons removing recorked wine from the premises).
- (2) The annual fee for this license is one thousand dollars.
- (3) If a public house licensee wishes to allow persons under twenty-one years of age on the premises, the licensee must meet the requirements of a beer and/or wine restaurant license, per WAC 314-02-045 and ((314-02-050)) 314-02-025.

(4) Public house licensees may apply for a spirits, beer, and wine restaurant license, in order to sell spirits by the individual serving for on-premises consumption (see WAC 314-02-015).

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 314-02-050

What are the floor space requirements to obtain and maintain a beer and/or wine restaurant license?

AMENDATORY SECTION (Amending WSR 98-18-097, filed 9/2/98, effective 10/3/98)

and WAC 314-16-195 Spirits, beer wine restaurant Spirits, beer restricted--Qualifications. (1) restaurant restricted licensees shall govern their operations in selling liquor in accordance with the regulations set forth in Titles I and II. Such licensees may sell liquor in accordance with these regulations, only to members, invited guests, and holders of cards as authorized by subsection (3) of this section. Spirits, beer and wine restaurant restricted licensees shall not be prohibited from renting, leasing, or donating all or making services or a portion of their facilities for, available to, an activity where the public is invited or admitted under the conditions specified in subsection (4) of this section.

- (2)(a) Applications for new spirits, beer and wine restaurant restricted licenses shall be on forms prescribed by the board and shall be accompanied by proof that:
- (i) The business has been in operation for at least one year immediately prior to the date of its application. Such

proof should include records of membership as well as an indication as to numbers and types of membership.

- (ii) Membership or admission will not be denied to any person because of race, creed, color, national origin, sex or the presence of any sensory, mental or physical handicap.
- (b) Applications for renewal shall be made on forms prescribed by the board and shall be accompanied by such information as the board may request.
- (c) Spirits, beer and wine restaurant restricted applicants and licensees must meet the provisions of WAC ((314-16-190 (1), (2), (3), (4), (5)and (7))) 314-02-035.
 - (3) (a) Guest privilege cards may be issued only as follows:
- (i) For spirits, beer and wine restaurant restricted licensees within the limits of any city or town, only to those persons residing outside of an area ten miles from the limits of such city or town.
- (ii) For spirits, beer and wine restaurant restricted licensees outside of any city or town only to those persons residing outside an area fifteen miles from the location of such licensee: Provided, That where such area limitation encroaches upon the limits of any city or town, the entire corporate limits of such city or town shall be included in the prohibited area.
- (iii) Such guest privilege cards shall be issued for a reasonable period and must be numbered serially, with a record of the issuance of each such card to be filed on the licensed premises in such a manner as to be readily accessible for inspection.
- (iv) The mileage restrictions in (i) and (ii) of this subsection may be waived for special events upon written approval of the board.
- (b) Guests may be introduced when accompanied at all times by a member and may remain as long as such member is present: Provided, That any such guest may only enjoy the privileges of the organization a reasonable number of times in any one calendar year.
- (c) Persons who are members in good standing of a licensed spirits, beer and wine restaurant restricted organization may enjoy the privileges of any other licensed spirits, beer and wine restaurant restricted organization: Provided, That the operating rules of such organization authorize reciprocal privileges: Provided further, That (a) and (b) of this subsection shall not apply to members of such organizations while exercising reciprocal privileges.
- (4) If the licensee at any time rents any portion of the premises for any purpose other than to their membership or at any time holds any function within the premises to which the public is generally invited or admitted, then such portion

devoted to liquor service must be closed to the public generally and no one admitted therein except for bona fide members and guests. If the premises does not have an area which can be so closed, then no liquor service whatever may be permitted during the entire time when such activity is taking place or when the public is generally admitted in the premises.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 314-16-190

Spirits, beer and wine restaurant--Oualifications.

WAC 314-16-196

Spirits, beer and wine restaurant--Floor space requirements--Conditions for service bar only premises.