Creating Successful Events in Washington State

- Who can sell alcohol at events?
- What is a Special occasion license?

How to apply

Alcohol at your event

Promoters/Manufacturer/Distributor

All-ages, auctions, raffles & wine walks

- Caterers
- Banquet permits
- Cannabis
- Public Safety

Public Events and Festivals

Alcohol can be sold at event's open and advertised to the public in WA two ways at an **unlicensed** location;

- 1. A nonprofit organization can apply for and get a special occasion license
 - * In this case the NPO buys and sells the alcohol themselves and receives 100% of the profits.
- 2. A nonprofit organization who is putting on an event can hire a liquor caterer to sell the alcohol
 - * In this case the caterer brings and sells the alcohol themselves and receives 100% of the profits.

Public and Civic Events

- 1. Special Occasion Event Strictly Non-Profit event.
 - This event is organized and developed solely by the non-profit.
 - The non- profit obtains the proceeds of entire event.
 - Industry members may NOT sponsor an event held by the non- profit if that non-profit holds a special occasion liquor license.
- **2. Public and Civic Event -** Event Coordinator- event is introduced and developed by an Event Coordinator.
 - Any individual or organization may organize a public event.
 - A Non- profit may be **invited** to be present as a special occasion licensee, all proceeds from the sale of alcohol are retained by the nonprofit.
 - Industry members (alcohol manufacturers and distributors) may sponsor public and civic events. Event Coordinators may not sponsor alcohol related activities such as beer gardens.
- See WAC 314-52-130 for additional rules.

The Special Occasion License

- Who can apply for a special occasion license (SOL)? Any registered nonprofit organization (NPO) can apply.
- Allows a non profit to sell or serve alcohol to raise funds up to 12 times per year.
- Examples of events include fundraising dinners, gala events, auctions, festivals and wine tastings.
- The Non Profit group must be organized and operated for charitable, religious, social, political, educational, civic, fraternal, athletic, or benevolent purposes.

How Non-Profits apply

- Cost: \$60 per day, per location.
- Applications are available:
 - The WSLCB website at <u>www.lcb.wa.gov</u>
 - By calling the WSLCB at (360) 664-1600.
- Mail your completed application and fee
 45 days to 60 days before your event to:
 Washington State Liquor and Cannabis Board
 P.O. Box 43085
 Olympia, WA 98504-3085

Local Authority

 The WSLCB is required to notify the city or county authority (i.e. mayor) of the date, time, and location of your event.

- The local authority has 20 days to respond with an approval or objection to your application.
- Letters of non-objection.

Alcohol at the Event

- You may <u>not</u> advertise or sell alcohol below cost.
- Alcohol <u>must</u> be sold at wholesale cost or above and you cannot use a donation jar in lieu of charging for each alcoholic beverage, this is illegal.
- You may <u>not</u> make awards or gifts of alcohol. For example you may not have a door prize of alcohol.
- If the event is held at a liquor-licensed location, the licensee may <u>not</u> sell or serve their liquor in the same room to event guests (we don't allow two licenses at the one location).

Beer, Wine & Spirits

Alcohol may be **purchased** from:

- Any licensed distributor
- Manufacturer, (winery, brewery, distillery).
- Or retailer
- Alcohol may be donated by a winery, brewery, distillery, or spirits from a spirits distributor if your organization is registered as a "501 (C) 3 " or a "501 (C) 6" and your IRS letter has been received.
- Donated alcohol still needs to be sold at wholesale cost or above and cannot be given away free of charge or as a gift.

^{*} Trays of drinks cannot be donated, talked about in slide 13.

On-Premise Sales

- You may <u>sell</u> spirts, beer and wine by the individual serving to be drank at the event (on-premises).
- You may sell bottles of wine for on-premise consumption.
- On-premise sales can be made either by cash bar or in ticket sales prior to the event.
- Ticket sales can say "includes" a specific amount of drinks the guest is getting and the cost must be covered in the price of the ticket. Cannot say or insinuate unlimited alcohol.
- Enforcement Officers have the right to ask for a breakdown of the ticket cost to confirm alcohol is being charged for.

Off Premises Sales

- Special Occasion Licensees may sell beer, wine and spirits by the manufacturer sealed bottle for off – premises (to take home) consumption <u>with approval</u> <u>from the Board.</u>
- Off-premises sales and live auctions must be in conjunction with on-premises beverage sales.
- Auctioned alcohol can not be consumed at the event.
- Auctions do not require on-premises sales, but do require a Special Occasion License.

Proceeds From the Sale of Alcohol

- 100% of all proceeds from the sale of liquor must go directly back into the non-profit organization.
- The proceeds may not be paid directly or indirectly to members, officers, or trustees of the organization.
- The organization may compensate members, officers, or trustees for services they perform at the event at the prevailing market rate.

WSLCB ALL AGES

- Outside events for SOL's do not traditionally allow for minors and alcohol to comingle.
- Outside "consumption areas" are considered beer gardens and minors are not allowed in beer gardens.
- To request that minors and alcohol comingle outdoors for your event you must apply with the SOL application plus the *all-ages addendum* and per WAC submit it **at least 60 days prior to your event.**
- Not all all-ages events are approved and certain criteria that isn't required with the normal SOL must be met. The main criteria is that it is the NPO's event.
- If approved for an all-ages event does not guarantee you an approval for the same event or another event applied for.

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Auctions

All auctions must be in-person now

- The non-profit organization obtains a <u>special occasion license</u> from the WSLCB;
- Every auction must take place at an in-person event
- The alcohol to be auctioned must be owned by the NPO
- Live auctions can take place while alcohol is being consumed as long as the NPO has a SOL for the on-premises sales.
- Silent auctions can take place while the NPO is selling alcohol or the venue or caterer
- Alcohol that is won during the auction, must be manufacturer sealed and may not be consumed at the event and needs to be taken off premise with the winners.
- No auctioning trays or drinks.
- ** ID must be checked on delivery to winners to ensure the winner is 21 or older.

Raffles, Ring Toss and Wine Walls

- Raffles of alcohol can't be done with the public. Only
 with your nonprofit members, not the public. You must
 apply for a raffle permit with the WSLCB. If you are
 selling more than \$5000 worth of tickets you need to
 contact the Gambling Commission for their regulations.
- You need a Special Occasion from the WSLCB for the ring tosses or wine walls if wine is supposed to be a "prize".
- Please remember that all alcohol must be sold at wholesale cost or above. This means that with both RT & WW the tickets can't be sold for less than the most expensive bottle.

Wine Walks

- Each location needs a SOL \$60 per day/per location
- Ticket sales that include alcohol samples must be sold by the NPO
- Each location must have alcohol supplied by the NPO, unless they hold a liquor license. If they hold a license they can opt to sell/supply their own alcohol
- Winery/brewery/distillery can pour their product but they do not own this alcohol
 - * breweries cannot pour unless there are 3 or more breweries present
- May not have alcohol on the streets in between stops, so the sample must be consumed where it is poured

Non Profits working with a 3rd Party

Working with Promoters/Event planners

- A promoter/planner or for-profit company may not "buy" your license in order to have alcohol at an event.
- Non- profits may have a 3rd party person promote their event.
- Promoters/planners are considered employees of the non-profit.
- The non-profit is responsible for what the promoter/planner does.
- Tickets to the event are ran and collected by the non-profit.

Non Profits working with a 3rd Party Working with Promoters/Event planners (cont.)

- Alcohol distributors/or manufactures may not give funds directly or indirectly to the Special Occasion Licensee or their employees.
- Promoters may not accept sponsorship dollars for the Special Occasion licensee holder.
- Promoters <u>may not accept</u> alcohol product.

Non Profits working with a Manufacturer

Can Do's for Manufacturers and Distributors

- May accept returns and refunds of unused product, if they choose to.
- May allow to accept payment for product immediately following event (winery/brewery/distillery).
- May pay booth fees (winery/brewery/distillery).
- May provide product education at event (must have Agent's license if distributor, brewery, distillery, COAs or winery's indirect employees).
- May provide branded promotional items (nominal value).

Non Profits working with a Manufacturer

Cannot do's for Manufacturers and Distributors

Cannot have on duty employees drink during the event.

- Cannot have brand naming rights to beer garden.
- Cannot sell to the public.

Using a Caterer

- A nonprofit may hold an event open to the public and hire a licensed liquor caterer to do the alcohol.
- This allows a liquor licensed caterer to bring their liquor to a non-liquor licensed location to sell to event guests.
- A caterer may only do events open to the public if a nonprofit is putting said event on.
- A NPO cannot be "brought into" the event to hire a caterer.
- If the non-profit hires a caterer, the event is under the catering license and a Special Occasion is <u>not</u> allowed.

Banquet Permits

A banquet permit allows the service and consumption of liquor at a private, invitation-only banquet or gathering held in a public place or business.

- ✓ The events may not be advertised to the public, or on social media websites that the public can see.
- ✓ Alcohol may not be sold in any way, must be given away free of charge to attendees.
- ✓ Think wedding reception, Quniceanera, or a birthday party.

Concerns We See

- ➤ Don't fall prey to your NPO being told that you are a "beneficiary" for someone else's event.
- ➤ Being told all you need to do is acquire a SOL to raise money for your NPO, isn't legal.
- ➤ An NPO cannot be brought in last minute to provide alcohol unless the NPO applies for the SOL themselves.

Public Safety

- Liquor may not be sold, served, or supplied to anyone under 21 years of age.
- Intoxicated persons may not consume, possess, or purchase liquor.
- Disorderly conduct is not allowed.
- No sales, service or consumption between 2 a.m. and 6 a.m.
- Mandatory Alcohol Server Training (MAST) Permits are not required, but encouraged under Special Occasions or Banquet Permits.

Public Safety Laws

- You, as the special occasion liquor license holder, are responsible for the conduct of your patrons.
- Public safety violations can be criminally and administratively levied against the license holder.
- Sale of alcohol to a minor is punishable by a \$5,000 fine and/or a year in jail (maximum).
- Over-service, lewd conduct or disorderly conduct carry similar fines and penalties.
- Liquor officers, and state and local police have the right to inspect your premises.



Cannabis at Events

Cannabis is **not** allowed at events

- Cannabis may **not** be donated to you
- Cannabis may **not** be auctioned, sold or gifted at any event
- By law cannabis is only allowed in the privacy of your own home

Thank you... we wish you success!

