

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6572

60th Legislature
2008 Regular Session

Passed by the Senate February 15, 2008
YEAS 44 NAYS 0

President of the Senate

Passed by the House March 5, 2008
YEAS 96 NAYS 0

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6572** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 6572

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senate Labor, Commerce, Research & Development (originally sponsored by Senators Spanel, Jacobsen, Kohl-Welles, and McDermott)

READ FIRST TIME 02/07/08.

1 AN ACT Relating to off-premises microbrewery warehouses; reenacting
2 and amending RCW 66.24.244 and 66.24.244; providing an effective date;
3 and providing an expiration date.

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

5 **Sec. 1.** RCW 66.24.244 and 2007 c 370 s 4 and 2007 c 222 s 1 are
6 each reenacted and amended to read as follows:

7 (1) There shall be a license for microbreweries; fee to be one
8 hundred dollars for production of less than sixty thousand barrels of
9 malt liquor, including strong beer, per year.

10 (2) Any microbrewery licensed under this section may also act as a
11 distributor and/or retailer for beer and strong beer of its own
12 production. Any microbrewery licensed under this section may act as a
13 distributor for beer of its own production. Strong beer may not be
14 sold at a farmers market or under any endorsement which may authorize
15 microbreweries to sell beer at farmers markets. Any microbrewery
16 operating as a distributor and/or retailer under this subsection shall
17 comply with the applicable laws and rules relating to distributors
18 and/or retailers, except that a microbrewery operating as a distributor
19 may maintain a warehouse off the premises of the microbrewery for the

1 distribution of beer provided that (a) the warehouse has been approved
2 by the board under RCW 66.24.010 and (b) the number of warehouses off
3 the premises of the microbrewery does not exceed one. A microbrewery
4 holding a spirits, beer, and wine restaurant license may sell beer of
5 its own production for off-premises consumption from its restaurant
6 premises in kegs or in a sanitary container brought to the premises by
7 the purchaser or furnished by the licensee and filled at the tap by the
8 licensee at the time of sale.

9 (3) The board may issue a license allowing a microbrewery to
10 operate a spirits, beer, and wine restaurant under RCW 66.24.420.

11 (4) The board may issue a license to a microbrewery allowing for
12 on-premises consumption of beer, including strong beer, wine, or both
13 of other manufacture if purchased from a Washington state-licensed
14 distributor. The microbrewer must determine, at the time the license
15 is issued, whether the licensed premises will be operated as a tavern
16 with persons under twenty-one years of age not allowed as provided for
17 in RCW 66.24.330, or as a beer and/or wine restaurant as described in
18 RCW 66.24.320.

19 (5) A microbrewery that holds a spirits, beer, and wine restaurant
20 license or a beer and/or wine restaurant license shall hold the same
21 privileges and endorsements as permitted under RCW 66.24.320 and
22 66.24.420.

23 (6) If the microbrewery licensee holds a separate license for a
24 spirits, beer, and wine restaurant or a beer and/or wine restaurant,
25 operated on the brewery premises, the licensee may hold a second retail
26 license for a spirits, beer, and wine restaurant or a beer and/or wine
27 restaurant, at a location separate from the licensed brewery premises.

28 (7)(a) A microbrewery licensed under this section may apply to the
29 board for an endorsement to sell bottled beer of its own production at
30 retail for off-premises consumption at a qualifying farmers market.
31 The annual fee for this endorsement is seventy-five dollars.

32 (b) For each month during which a microbrewery will sell beer at a
33 qualifying farmers market, the microbrewery must provide the board or
34 its designee a list of the dates, times, and locations at which bottled
35 beer may be offered for sale. This list must be received by the board
36 before the microbrewery may offer beer for sale at a qualifying farmers
37 market.

1 (c) The beer sold at qualifying farmers markets must be produced in
2 Washington.

3 (d) Each approved location in a qualifying farmers market is deemed
4 to be part of the microbrewery license for the purpose of this title.
5 The approved locations under an endorsement granted under this
6 subsection (7) do not constitute the tasting or sampling privilege of
7 a microbrewery. The microbrewery may not store beer at a farmers
8 market beyond the hours that the microbrewery offers bottled beer for
9 sale. The microbrewery may not act as a distributor from a farmers
10 market location.

11 (e) Before a microbrewery may sell bottled beer at a qualifying
12 farmers market, the farmers market must apply to the board for
13 authorization for any microbrewery with an endorsement approved under
14 this subsection (7) to sell bottled beer at retail at the farmers
15 market. This application shall include, at a minimum: (i) A map of
16 the farmers market showing all booths, stalls, or other designated
17 locations at which an approved microbrewery may sell bottled beer; and
18 (ii) the name and contact information for the on-site market managers
19 who may be contacted by the board or its designee to verify the
20 locations at which bottled beer may be sold. Before authorizing a
21 qualifying farmers market to allow an approved microbrewery to sell
22 bottled beer at retail at its farmers market location, the board shall
23 notify the persons or entities of the application for authorization
24 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under
25 this subsection (7)(e) may be withdrawn by the board for any violation
26 of this title or any rules adopted under this title.

27 (f) The board may adopt rules establishing the application and
28 approval process under this section and any additional rules necessary
29 to implement this section.

30 (g) For the purposes of this subsection (7):

31 (i) "Qualifying farmers market" means an entity that sponsors a
32 regular assembly of vendors at a defined location for the purpose of
33 promoting the sale of agricultural products grown or produced in this
34 state directly to the consumer under conditions that meet the following
35 minimum requirements:

36 (A) There are at least five participating vendors who are farmers
37 selling their own agricultural products;

1 (B) The total combined gross annual sales of vendors who are
2 farmers exceeds the total combined gross annual sales of vendors who
3 are processors or resellers;

4 (C) The total combined gross annual sales of vendors who are
5 farmers, processors, or resellers exceeds the total combined gross
6 annual sales of vendors who are not farmers, processors, or resellers;

7 (D) The sale of imported items and secondhand items by any vendor
8 is prohibited; and

9 (E) No vendor is a franchisee.

10 (ii) "Farmer" means a natural person who sells, with or without
11 processing, agricultural products that he or she raises on land he or
12 she owns or leases in this state or in another state's county that
13 borders this state.

14 (iii) "Processor" means a natural person who sells processed food
15 that he or she has personally prepared on land he or she owns or leases
16 in this state or in another state's county that borders this state.

17 (iv) "Reseller" means a natural person who buys agricultural
18 products from a farmer and resells the products directly to the
19 consumer.

20 **Sec. 2.** RCW 66.24.244 and 2007 c 370 s 5 and 2007 c 222 s 2 are
21 each reenacted and amended to read as follows:

22 (1) There shall be a license for microbreweries; fee to be one
23 hundred dollars for production of less than sixty thousand barrels of
24 malt liquor, including strong beer, per year.

25 (2) Any microbrewery licensed under this section may also act as a
26 distributor and/or retailer for beer and strong beer of its own
27 production. Strong beer may not be sold at a farmers market or under
28 any endorsement which may authorize microbreweries to sell beer at
29 farmers markets. Any microbrewery operating as a distributor and/or
30 retailer under this subsection shall comply with the applicable laws
31 and rules relating to distributors and/or retailers, except that a
32 microbrewery operating as a distributor may maintain a warehouse off
33 the premises of the microbrewery for the distribution of beer provided
34 that (a) the warehouse has been approved by the board under RCW
35 66.24.010 and (b) the number of warehouses off the premises of the
36 microbrewery does not exceed one. A microbrewery holding a spirits,
37 beer, and wine restaurant license may sell beer of its own production

1 for off-premises consumption from its restaurant premises in kegs or in
2 a sanitary container brought to the premises by the purchaser or
3 furnished by the licensee and filled at the tap by the licensee at the
4 time of sale.

5 (3) The board may issue a license allowing a microbrewery to
6 operate a spirits, beer, and wine restaurant under RCW 66.24.420.

7 (4) The board may issue a license to a microbrewery allowing for
8 on-premises consumption of beer, including strong beer, wine, or both
9 of other manufacture if purchased from a Washington state-licensed
10 distributor. The microbrewer must determine, at the time the license
11 is issued, whether the licensed premises will be operated as a tavern
12 with persons under twenty-one years of age not allowed as provided for
13 in RCW 66.24.330, or as a beer and/or wine restaurant as described in
14 RCW 66.24.320.

15 (5) A microbrewery that holds a spirits, beer, and wine restaurant
16 license or a beer and/or wine restaurant license shall hold the same
17 privileges and endorsements as permitted under RCW 66.24.320 and
18 66.24.420.

19 (6) If the microbrewery licensee holds a separate license for a
20 spirits, beer, and wine restaurant or a beer and/or wine restaurant,
21 operated on the brewery premises, the licensee may hold a second retail
22 license for a spirits, beer, and wine restaurant or a beer and/or wine
23 restaurant, at a location separate from the licensed brewery premises.

24 (7)(a) A microbrewery licensed under this section may apply to the
25 board for an endorsement to sell bottled beer of its own production at
26 retail for off-premises consumption at a qualifying farmers market.
27 The annual fee for this endorsement is seventy-five dollars.

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29 qualifying farmers market, the microbrewery must provide the board or
30 its designee a list of the dates, times, and locations at which bottled
31 beer may be offered for sale. This list must be received by the board
32 before the microbrewery may offer beer for sale at a qualifying farmers
33 market.

34 (c) The beer sold at qualifying farmers markets must be produced in
35 Washington.

36 (d) Each approved location in a qualifying farmers market is deemed
37 to be part of the microbrewery license for the purpose of this title.
38 The approved locations under an endorsement granted under this

1 subsection (7) do not constitute the tasting or sampling privilege of
2 a microbrewery. The microbrewery may not store beer at a farmers
3 market beyond the hours that the microbrewery offers bottled beer for
4 sale. The microbrewery may not act as a distributor from a farmers
5 market location.

6 (e) Before a microbrewery may sell bottled beer at a qualifying
7 farmers market, the farmers market must apply to the board for
8 authorization for any microbrewery with an endorsement approved under
9 this subsection (7) to sell bottled beer at retail at the farmers
10 market. This application shall include, at a minimum: (i) A map of
11 the farmers market showing all booths, stalls, or other designated
12 locations at which an approved microbrewery may sell bottled beer; and
13 (ii) the name and contact information for the on-site market managers
14 who may be contacted by the board or its designee to verify the
15 locations at which bottled beer may be sold. Before authorizing a
16 qualifying farmers market to allow an approved microbrewery to sell
17 bottled beer at retail at its farmers market location, the board shall
18 notify the persons or entities of the application for authorization
19 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under
20 this subsection (7)(e) may be withdrawn by the board for any violation
21 of this title or any rules adopted under this title.

22 (f) The board may adopt rules establishing the application and
23 approval process under this section and any additional rules necessary
24 to implement this section.

25 (g) For the purposes of this subsection (7):

26 (i) "Qualifying farmers market" means an entity that sponsors a
27 regular assembly of vendors at a defined location for the purpose of
28 promoting the sale of agricultural products grown or produced in this
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37 farmers, processors, or resellers exceeds the total combined gross
38 annual sales of vendors who are not farmers, processors, or resellers;

1 (D) The sale of imported items and secondhand items by any vendor
2 is prohibited; and

3 (E) No vendor is a franchisee.

4 (ii) "Farmer" means a natural person who sells, with or without
5 processing, agricultural products that he or she raises on land he or
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7 borders this state.

8 (iii) "Processor" means a natural person who sells processed food
9 that he or she has personally prepared on land he or she owns or leases
10 in this state or in another state's county that borders this state.

11 (iv) "Reseller" means a natural person who buys agricultural
12 products from a farmer and resells the products directly to the
13 consumer.

14 NEW SECTION. **Sec. 3.** Section 1 of this act expires June 30, 2008.

15 NEW SECTION. **Sec. 4.** Section 2 of this act takes effect June 30,
16 2008.

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