

HOUSE BILL REPORT

HB 2642

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to wine tasting at farmers markets.

Brief Description: Establishing a pilot project to allow wine tasting at farmers markets.

Sponsors: Representatives Kenney, Probst, Maxwell, Ericks, Conway, Hasegawa, Sullivan, Springer, Pettigrew, Chase, Dickerson, White, Carlyle, Chandler, Rolfes, Hunt and Moeller.

Brief History:

Committee Activity:

Commerce & Labor: 1/20/10, 1/26/10 [DP].

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Creates a pilot project for wine tasting at farmers markets.
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HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 6 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Green and Williams.

Minority Report: Without recommendation. Signed by 1 member: Representative Crouse.

Staff: Joan Elgee (786-7106).

Background:

Wineries and breweries may obtain an endorsement from the Liquor Control Board (Board) to sell their own products for off-premises consumption at qualifying farmers markets. Farmers markets must meet certain criteria and receive authorization from the Board to allow beer or wine sales.

Sampling of beer and wine is permitted in some circumstances. Beer and/or wine specialty shops may serve samples of two ounces or less. Wineries may serve samples of their own product on their premises and at up to two additional locations. A farmers market

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endorsement to a winery license, however, does not authorize the winery to offer tasting at a farmers market.

In 2008 the Legislature directed the Board to establish a pilot project for beer and wine tasting in grocery stores. Participating stores were limited to 12 tastings and other conditions. The Board issued a report on the grocery store pilot project in December 2009.

Persons who serve alcohol on licensed retail premises must obtain a mandatory alcohol server training (MAST) permit.

An alcohol impact area (AIA) is a geographic area, designated by a local government and recognized by resolution of the Board, that is adversely affected by chronic public inebriation or illegal activity associated with alcohol sales or consumption. The Board may place restrictions on licensees located in an AIA.

Summary of Bill:

The Board is directed to establish a pilot project for wine tasting at farmers markets. The pilot project is for 10 farmers markets with at least six days of tastings by one or two wineries at each location between July 1, 2010, and September 30, 2011.

Farmers markets chosen to participate in the pilot project must be authorized, as of January 1, 2010, for wineries to sell bottled wine at retail, and a winery offering samples must hold an endorsement to sell wine at farmers markets on January 1, 2010. In selecting farmers markets, the Board must consult with statewide organizations of farmers markets and make an effort to select farmers markets throughout the state.

A number of conditions for sampling must be met:

- Samples must be two ounces or less, up to a total of four ounces to a customer per day, and no more than one sample of any single brand may be provided to a customer per day. If two wineries offer samples on a tasting day, a winery may provide only a total of two ounces of wine per customer per day.
- Customers must remain at the winery's stall, booth, or other designated location while sampling wine.
- A winery may advertise sampling only at their designated location at the farmers market.

Winery licensees and employees who are involved in sampling activities must hold a MAST permit.

The Board may establish additional requirements by rule to ensure that persons under 21 years of age and apparently intoxicated persons cannot possess or consume alcohol.

The Board may prohibit sampling at a farmers market within an AIA if the Board finds that tasting at the farmers market is having an adverse effect on the reduction of chronic public inebriation in the area.

The Board must report to the appropriate committees of the Legislature on the pilot project by December 1, 2011.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a simple bill that will assist in economic development by supporting both the local wine industry and farmers markets. Farmers markets in Washington generate \$55 million in total sales per year and help local producers and the local community. Sixty-four markets can allow bottled wine sales but only a small number of vintners participate. The biggest hurdle is that sampling is not allowed. When a farmer makes a wine out of ingredients that people are not familiar with, people tend not to purchase it, but once they taste it they are hooked. All wine sold in farmers markets is produced with only Washington products. The regulations in the bill provide control.

(Opposed) The concern is with the unintended consequences on youth by modeling the casual use of alcohol. What is next – tasting at museums or the Capital Campus Visitor Center? This is bad public policy unless it is limited to places where people must be 21 years of age or over.

Persons Testifying: (In support) Representative Kenney, prime sponsor; Jackie Aitchison, Washington State Farmers Market Association; Chris Curtis, Neighborhood Farmers Market Alliance; and Wade Bennet, Rockridge Farms.

(Opposed) Seth Dawson and Jim Cooper, Washington Association for Substance Abuse and Violence Prevention.

Persons Signed In To Testify But Not Testifying: None.