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**SUBSTITUTE SENATE BILL 5006**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senate Labor & Commerce (originally sponsored by Senators Takko, Fortunato, Palumbo, and Mullet)

READ FIRST TIME 02/14/19.

1 AN ACT Relating to allowing the sale of wine by microbrewery  
2 license holders; amending RCW 66.24.244; and providing an effective  
3 date.

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

5 **Sec. 1.** RCW 66.24.244 and 2015 c 42 s 1 are each amended to read  
6 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)(a) Any microbrewery licensed under this section may also act  
11 as a distributor and/or retailer for beer and strong beer of its own  
12 production.

13 (b) Any microbrewery operating as a distributor and/or retailer  
14 under this subsection must comply with the applicable laws and rules  
15 relating to distributors and/or retailers, except that a microbrewery  
16 operating as a distributor may maintain a warehouse off the premises  
17 of the microbrewery for the distribution of beer provided that:

18 (i) The warehouse has been approved by the board under RCW  
19 66.24.010; and

20 (ii) The number of warehouses off the premises of the  
21 microbrewery does not exceed one.

1       (c) Any person selling or serving beer, cider, or wine at a  
2 microbrewery for on-premises consumption must obtain a class 12 or  
3 class 13 alcohol server permit.

4       (d) A microbrewery holding a spirits, beer, and wine restaurant  
5 license may sell beer of its own production for off-premises  
6 consumption from its restaurant premises in kegs or in a sanitary  
7 container brought to the premises by the purchaser or furnished by  
8 the licensee and filled at the tap by the licensee at the time of  
9 sale.

10       (3) Any microbrewery licensed under this section may also sell  
11 from its premises for on-premises and off-premises consumption:

12       (a) Beer produced by another microbrewery or a (~~domestic~~)  
13 brewery as long as the other breweries' brands do not exceed twenty-  
14 five percent of the microbrewery's on-tap offerings; or

15       (b) Cider produced by a (~~domestic~~) winery.

16       (4) A microbrewery licensed under this section may apply to the  
17 board for an endorsement to sell wine by the individual glass for on-  
18 premises consumption. The annual fee for this endorsement is two  
19 hundred dollars.

20       (5) The board may issue up to two retail licenses allowing a  
21 microbrewery to operate an on or off-premises tavern, beer and/or  
22 wine restaurant, or spirits, beer, and wine restaurant.

23       (~~(5)~~) (6) A microbrewery that holds a tavern license, spirits,  
24 beer, and wine restaurant license, or a beer and/or wine restaurant  
25 license holds the same privileges and endorsements as permitted under  
26 RCW 66.24.320, 66.24.330, and 66.24.420.

27       (~~(6)~~) (7)(a) A microbrewery licensed under this section may  
28 apply to the board for an endorsement to sell bottled beer of its own  
29 production at retail for off-premises consumption at a qualifying  
30 farmers market. The annual fee for this endorsement is seventy-five  
31 dollars. However, strong beer may not be sold at a farmers market or  
32 under any endorsement which may authorize microbreweries to sell beer  
33 at farmers markets.

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

1 (c) Any person selling or serving beer must obtain a class 12 or  
2 class 13 alcohol server permit.

3 (d) The beer sold at qualifying farmers markets must be produced  
4 in Washington.

5 (e) Each approved location in a qualifying farmers market is  
6 deemed to be part of the microbrewery license for the purpose of this  
7 title. The approved locations under an endorsement granted under this  
8 subsection (~~((6))~~) (7) include tasting or sampling privileges subject  
9 to the conditions pursuant to RCW 66.24.175. The microbrewery may not  
10 store beer at a farmers market beyond the hours that the microbrewery  
11 offers bottled beer for sale. The microbrewery may not act as a  
12 distributor from a farmers market location.

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

30 (g) The board may adopt rules establishing the application and  
31 approval process under this section and any additional rules  
32 necessary to implement this section.

33 (h) For the purposes of this subsection (~~((6))~~) (7):

34 (i) "Qualifying farmers market" has the same meaning as defined  
35 in RCW 66.24.170.

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

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

5 (iv) "Reseller" means a natural person who buys agricultural  
6 products from a farmer and resells the products directly to the  
7 consumer.

8 ~~((7))~~ (8) Any microbrewery licensed under this section may  
9 contract-produce beer for another microbrewer. This contract-  
10 production is not a sale for the purposes of RCW 66.28.170 and  
11 66.28.180.

12 NEW SECTION. **Sec. 2.** This act takes effect October 1, 2019.

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