

FINAL BILL REPORT

SB 5674

C 238 L 13
Synopsis as Enacted

Brief Description: Allowing wine and beer sampling at farmers markets.

Sponsors: Senators Kohl-Welles, Smith, Hatfield, Conway, Schoesler, King, Hobbs, Murray, Keiser, Ranker, Harper, Hewitt and Rolfes.

Senate Committee on Commerce & Labor

House Committee on Government Accountability & Oversight

Background: SHB 1172, enacted in 2011, authorized a farmers market wine and beer tasting pilot program. The program permitted ten qualifying farmers markets to participate for a limited time period. Only one winery or microbrewery per day was permitted to offer samples. Samples were limited to two ounces or less with a total of four ounces served to a customer per day. Sampling was offered from September 2011 to October 2012. A preliminary report by the Liquor Control Board (LCB) to the Legislature was published in December 2012.

As a result of the pilot program LCB recommended that:

- the pilot program be made permanent;
- additional farmers markets be allowed to participate;
- additional wineries and microbreweries be added;
- servers have a mandatory alcohol server permit;
- penalties be established to promote compliance with public safety; and
- consideration be given to expanding the definition of qualifying farmers market.

A qualifying farmers market must have at least 5 vendors who are farmers selling their own products. The gross annual sales of farmers must be greater than the combined gross annual sales of processors or resellers; and the combined gross annual sales of farmers, processors and resellers is greater than the total combined gross annual sales of vendors who are not farmers, processors, or resellers. No vendor can be a franchisee and the sale of imported or secondhand items is prohibited.

Summary: A qualifying farmers market can apply to LCB for an endorsement to allow sampling of wine, beer, or both. Wineries or microbreweries must have an endorsement from LCB to sell their products at a farmers market in order to offer samples. If a farmers market's combined gross annual sales of farmer vendors does not exceed the annual sales of other vendors, the farmers market may still be considered a qualifying farmers market for

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purposes of sampling if the total combined gross annual sales of vendors at the farmers market is \$1 million or more.

Up to a total of three wineries or microbreweries may offer samples at a farmers market per day. Samples must be two ounces or less, and each winery or microbrewery may provide a maximum of two ounces of wine or beer to a customer per day. Individuals serving samples must have a class 12 or 13 server permit. Food must be available for sampling customers. LCB may establish other requirements to prevent underage drinking. LCB may suspend a licensee's farmers market endorsement for up to two years for a public safety violation.

Votes on Final Passage:

Senate	41	8	
House	81	12	(House amended)
Senate	40	8	(Senate concurred)

Effective: July 28, 2013.