

HOUSE BILL REPORT

HB 2419

As Reported by House Committee On:
Commerce & Gaming

Title: An act relating to beer, wine, cider, and mead at farmers markets.

Brief Description: Regarding beer, wine, cider, and mead at farmers markets.

Sponsors: Representatives Hargrove, Muri and Haler.

Brief History:

Committee Activity:

Commerce & Gaming: 1/16/18, 1/18/18 [DPS].

Brief Summary of Substitute Bill

- Authorizes a qualifying microbrewery to sell growlers and cans of beer to the public at a qualifying farmers market.
- Authorizes a qualifying domestic winery to sell cider and mead of its own production by the bottle or in a growler at a qualifying farmers market.
- Authorizes a qualifying domestic winery to provide tasting samples of cider and mead to the public at a farmers market in accordance with regulations governing such sampling.
- Provides a statutory definition of "growler."
- Eliminates a statutory provision prohibiting a microbrewery from selling strong beer at a qualifying farmers market.

HOUSE COMMITTEE ON COMMERCE & GAMING

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Sawyer, Chair; Kloba, Vice Chair; Condotta, Ranking Minority Member; Vick, Assistant Ranking Minority Member; Blake, Jenkin, Kirby and Young.

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

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Thamas Osborn (786-7129).

Background:

A licensed domestic winery may apply to the Liquor and Cannabis Board (LCB) for a license endorsement authorizing the sale of wine at retail at qualifying farmers markets for off-premises consumption. Similarly, a licensed microbrewery may apply the to LCB for a similar endorsement authorizing the sale of bottled beer at retail at qualifying farmers market for off-premises consumption. The wine and beer sold must be of the domestic winery or microbrewery's own production.

A qualifying farmers market may apply to the LCB for authorization to allow a qualifying domestic winery or microbrewery to offer samples of wine or beer, respectively, to the public for tasting purposes. The offering of samples by a domestic winery or microbrewery are subject to the following restrictions and requirements:

- No more than three wineries or microbreweries combined may offer samples at a qualifying farmers market per day.
- Samples must be 2 ounces or less.
- A winery or microbrewery may provide a maximum of 2 ounces of wine or beer to a customer per day.
- Customers must remain at the designated booth, stall, or other designated location while sampling beer or wine.
- Winery and microbrewery licensees and employees who are involved in sampling activities must hold a class 12 or class 13 alcohol server permit.
- A winery or microbrewery must have food available for customers to consume while sampling beer or wine, or must be adjacent to a vendor offering prepared food.

Qualifying microbreweries are prohibited from selling "strong beer" at a farmers market. "Strong beer" is defined to mean any malt liquor or malt beverage containing more than 8 percent alcohol by weight.

Summary of Substitute Bill:

In addition to bottles of wine, a qualifying domestic winery may also sell cider and mead of its own production at a qualifying farmers market. Wine may only be sold by the bottle, whereas cider and mead may be sold either by the bottle or in a growler. Mead sold by a qualifying winery at a farmers market must have an alcohol content no greater than 14 percent by volume. A qualifying winery may also provide tasting samples of cider and mead to the public in accordance with regulations governing such sampling at a farmers market.

In addition to canned and bottled beer, a qualifying microbrewery may also sell growlers of beer to the public at a qualifying farmers market.

A statutory provision prohibiting a microbrewery from selling strong beer at a qualifying farmers market is eliminated.

A "growler" is defined to mean a sanitary container brought to an authorized premises by the purchaser, or provided by a licensee, and filled at the tap by the licensee at the time of sale by an employee of the licensee.

Substitute Bill Compared to Original Bill:

The substitute bill makes the following changes to the original bill:

- adds canned beer to the products that may be sold by a microbrewery at a farmers market; and
- corrects errors in technical language regarding the types of liquor products that may be sold by wineries and microbreweries at a farmers market.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Small breweries who do business at farmers markets will greatly benefit from this bill because of the demand for growlers of beer. Many such breweries will derive much needed economic benefits from growler sales. Being able to offer beer in growlers also makes inventory planning easier. Many small breweries don't have packaging equipment for bottles and cans, and growlers are a more cost effective and an efficient way to sell beer. Growlers of various liquors are widely available throughout this country and do not pose any enforcement problems. Mead and cider are similar to wine and it makes sense to allow their sale at farmers markets. Washington has the third largest mead industry in the country and farmers markets are a logical place to sell mead. There is no need for restrictions on strong beer and this product should be allowed at farmers markets as well.

(Opposed) None.

(Other) The text of the bill has references to "alcohol" at farmers markets, and this term is too broad because it encompasses spirits. The law does not allow spirits sampling at farmers markets.

Persons Testifying: (In support) Representative Hargrove, prime sponsor; Annie McGrath, Washington Brewers Guild; Dane Scarimbolo, Four Horsemen Brewery; and Chris Webber, Washington Mead Alliance.

(Other) Chris Thompson, Liquor and Cannabis Board.

Persons Signed In To Testify But Not Testifying: None.