

# SENATE BILL REPORT

## HB 2699

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As Reported by Senate Committee On:  
Labor & Commerce, February 19, 2018

**Title:** An act relating to exempting alcohol manufacturers from the food storage warehouse license.

**Brief Description:** Exempting alcohol manufacturers from the food storage warehouse license.

**Sponsors:** Representatives Stanford, Dent, Blake, Nealey and Eslick.

**Brief History:** Passed House: 2/08/18, 98-0.

**Committee Activity:** Labor & Commerce: 2/19/18, 2/19/18 [DP, w/oRec].

### Brief Summary of Bill

- Exempts certain food storage warehouses used to store alcohol beverages, that are manufactured or distributed under a license issued by the Liquor and Cannabis Board (LCB), from also being licensed by the Department of Agriculture (Department).

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Majority Report:** Do pass.

Signed by Senators Keiser, Chair; Conway, King, Kuderer, Saldaña and Wilson.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Hasegawa, Vice Chair.

**Staff:** Richard Rodger (786-7461)

**Background:** Food storage warehouses include places such as buildings, room areas, or facilities where food is stored, kept, or held for wholesale distribution to other wholesalers, retail outlets, restaurants, and other facilities selling or distributing to the ultimate consumer. The term warehouse does not include grain elevators or fruit and vegetable storage and packing houses, except for multiple food storage operations that also distribute or ripen fruits and vegetables.

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*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.*

The director of the Department has the authority to inspect food storage warehouses to ensure compliance with: state law; the federal Food, Drug, and Cosmetic Act; and the federal Trade Commission Act. Generally, any person who operates a food storage warehouse must have an annual license issued by the Department. A food storage warehouse that is inspected for compliance with the current good manufacturing practices, on at least an annual basis, by an approved independent sanitation consultant is exempt from obtaining a license.

The LCB is responsible for issuing various licenses for the manufacture, distribution, and sale of alcoholic beverages. The LCB may require an inspection of the premises upon application or renewal of any license, consider prior criminal history of an applicant, and has the authority to grant or deny a license application or renewal.

**Summary of Bill:** A food storage warehouse that is used to store alcohol beverages manufactured or distributed under a license issued by the LCB is not required to be licensed by the Department, provided alcohol beverages are the only food stored in the warehouse.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: The bill is about government efficiencies. We recently discovered that wine is also classified as food and because of that two agencies are required to conduct inspections of warehouses that store just alcohol. This bill eliminates the requirement that the Department of Agriculture conduct an inspection, if the warehouse only stores beer, wine or spirits and has already been inspected by the Liquor and Cannabis Board.

**Persons Testifying:** PRO: Representative Derek Stanford, Prime Sponsor; Robin Pollard, Washington Wine Institute.

**Persons Signed In To Testify But Not Testifying:** No one.