
Commerce & Gaming Committee

ESSB 5006

Brief Description: Creating a new on-premises endorsement for domestic wineries and domestic breweries and microbreweries.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Takko, Fortunato, Palumbo and Mullet).

Brief Summary of Engrossed Substitute Bill

- Creates a new on-premises endorsement to the domestic winery license, domestic brewery license, and microbrewery license, for an annual fee of \$200 per location.
- Authorizes a domestic winery with the endorsement to sell beer produced in Washington by the single serving for on-premises consumption.
- Authorizes a domestic brewery or microbrewery with the endorsement to sell wine produced in Washington by the single serving for on-premises consumption.
- Limits an endorsement holder to three offerings of beer for domestic wineries and three offerings of wine for domestic breweries and microbreweries.

Hearing Date: 2/20/20

Staff: Peter Clodfelter (786-7127).

Background:

Among the liquor licenses issued by the Liquor and Cannabis Board (LCB) are the domestic winery license, the domestic brewery license, and the microbrewery license. A domestic winery license authorizes the manufacture of wine in Washington from grapes or other agricultural products. For manufacturers of beer, breweries producing 60,000 barrels or more of malt liquor per year are licensed under the domestic brewery statute, whereas breweries producing less than 60,000 barrels of malt liquor per year are licensed as microbreweries. Limited retail privileges are included with each of these licenses.

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.

Retail privileges for domestic wineries includes authorization to sell wine of a winery's own production to customers for on-premises and off-premises consumption at the winery premises and at up to four off-site tasting room locations approved by the LCB.

Retail privileges for domestic breweries and microbreweries includes authorization to sell beer of the brewery's own production to customers for on-premises and off-premises consumption at the brewery premises. Domestic breweries and microbreweries may also sell beer produced by another domestic brewery or microbrewery for on-premises and off-premises consumption as long as the other breweries' brands do not exceed 25 percent of the domestic brewery's on-tap offerings of its own brands. Microbreweries may also sell cider produced by a domestic winery to customers for on-premises and off-premises consumption.

Summary of Bill:

A new on-premises endorsement is created to the domestic winery license, the domestic brewery license, and the microbrewery license. A domestic winery with the endorsement may sell beer produced in Washington by the single serving for on-premises consumption. A domestic brewery or microbrewery with the endorsement may sell wine produced in Washington by the single serving for on-premises consumption.

A holder of the new on-premise endorsement is limited to three offerings of beer for a domestic winery and three offerings of wine for a domestic brewery or microbrewery.

The annual fee for the new on-premise endorsement is \$200 for each location.

Appropriation: None.

Fiscal Note: Available.

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