

SENATE BILL REPORT

SHB 2118

As Reported By Senate Committee On:
Commerce & Trade, March 28, 2003

Title: An act relating to the marketing of microbrew beer at farmers markets.

Brief Description: Authorizing approved microbrewers to sell beer at farmers markets.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Newhouse and Sullivan).

Brief History:

Committee Activity: Commerce & Trade: 3/28/03 [DPA].

SENATE COMMITTEE ON COMMERCE & TRADE

Majority Report: Do pass as amended.

Signed by Senators Honeyford, Chair; Hewitt, Vice Chair; Franklin, Keiser and Mulliken.

Staff: Elizabeth Mitchell (786-7430)

Background: Microbreweries are defined as those breweries producing less than 60,000 barrels of malt liquor per year, and are licensed by the Liquor Control Board. A microbrewery may act as a distributor and/or retailer for beer of its own production, and may receive an endorsement for on-premises consumption of beer and/or wine.

Summary of Amended Bill: Microbreweries may apply to the board for an endorsement to sell beer of their own production for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is \$75. No tasting or sampling of beer may occur at farmers market locations.

Before beer is sold at a farmers market, both the microbrewery and the farmers market must receive authorization from the board. The farmers market's application for authorization includes a map of the farmers market showing all locations at which a microbrewery may sell beer, and the name and contact information for the on-site market managers. The board may withdraw a farmers market's authorization for any violation of laws or rules pertaining to the board.

Before granting authorization, the board must notify local jurisdictions in which the market is located, as well as schools and churches near the market, that the market is seeking authorization for beer to be sold. These parties must have an opportunity to object to the sale of beer at the market.

For each month that a microbrewery sells beer at a farmers market, the microbrewery must provide the board with prior notification of the dates, times and locations of its farmers market sales.

The microbrewery may not store beer at a farmers market beyond the hours that the microbrewery offers bottled beer for sale. Beer sold at qualifying farmers markets must be produced in Washington.

Amended Bill Compared to Substitute Bill: It is clarified that the farmers market endorsement only applies to licensed microbreweries.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Washington is the leading producer of hops in the country. Washington had the first modern-era microbrewery. This bill will promote microbreweries and will serve as an economic development and tourism promotion tool. This bill should also include medium-sized brewers such as Red Hook and Pyramid ales.

Testimony Against: None.

Testified: PRO: Representative Newhouse, prime sponsor; Senator Kohl-Welles; Chris Cheney, Hop Growers of WA, WA Brewers Guild.