H-1959.1
----------

## HOUSE BILL 2118

\_\_\_\_\_

State of Washington 58th Legislature 2003 Regular Session

By Representatives Newhouse and Sullivan

6 7

8

9

10

1112

13

1415

16

17

18

Read first time 02/25/2003. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to the marketing of microbrew beer at farmers 2 markets; and amending RCW 66.24.244.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 66.24.244 and 1998 c 126 s 3 are each amended to read 5 as follows:
  - (1) There shall be a license for microbreweries; fee to be one hundred dollars for production of less than sixty thousand barrels of malt liquor per year.
  - (2) Any microbrewery license under this section may also act as a distributor and/or retailer for beer of its own production. Any microbrewery operating as a distributor and/or retailer under this subsection shall comply with the applicable laws and rules relating to distributors and/or retailers.
  - (3) The board may issue an endorsement to this license allowing for on-premises consumption of beer, wine, or both of other manufacture if purchased from a Washington state-licensed distributor. Each endorsement shall cost two hundred dollars per year, or four hundred dollars per year allowing the sale and service of both beer and wine.

p. 1 HB 2118

(4) The microbrewer obtaining such endorsement must determine, at the time the endorsement is issued, whether the licensed premises will be operated either as a tavern with persons under twenty-one years of age not allowed as provided for in RCW 66.24.330, or as a beer and/or wine restaurant as described in RCW 66.24.320.

- (5)(a) A microbrewery licensed under this section may apply to the board for an endorsement to sell beer of its own production at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-five dollars.
- (b) For each month during which a microbrewery will sell beer at a qualifying farmers market, the microbrewery must provide the board or its designee a list of the dates, times, and locations at which bottled beer may be offered for sale. This list must be received by the board before the microbrewery may offer beer for sale at a qualifying farmers market.
- 16 <u>(c) The beer sold at qualifying farmers markets must be produced in</u>
  17 <u>Washington.</u>
  - (d) Each approved location in a qualifying farmers market is deemed to be part of the microbrewery license for the purpose of this title. The approved locations under an endorsement granted under this subsection (5) do not include the tasting or sampling privilege of a microbrewery. The microbrewery may not store beer at a farmers market beyond the hours that the microbrewery offers bottled beer for sale.
  - (e) Before a microbrewery may sell bottled beer at a qualifying farmers market, the farmers market must apply to the board for authorization for any microbrewery with an endorsement approved under this subsection (5) to sell bottled beer at retail at the farmers market. This application shall include, at a minimum: (i) A map of the farmers market showing all booths, stalls, or other designated locations at which an approved microbrewery may sell bottled beer; and (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the locations at which bottled beer may be sold. Before authorizing a qualifying farmers market to allow an approved microbrewery to sell bottled beer at retail at its farmers market location, the board shall notify the persons or entities of the application for authorization pursuant to RCW 66.24.010 (8) and (9). An authorization granted under

HB 2118 p. 2

- this subsection (5)(e) may be withdrawn by the board for any violation of this title or any rules adopted under this title.
  - (f) The board may adopt rules establishing the application and approval process under this section and any additional rules necessary to implement this section.
    - (g) For the purposes of this subsection (5):

3

4

5

6 7

8

9

10

11

17

18

19

2021

22

- (i) "Qualifying farmers market" means an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:
- 12 <u>(A) There are at least five participating vendors who are farmers</u>
  13 <u>selling their own agricultural products;</u>
- 14 <u>(B) The total combined gross annual sales of vendors who are</u>
  15 <u>farmers exceeds the total combined gross annual sales of vendors who</u>
  16 <u>are processors or resellers;</u>
  - (C) The total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;
  - (D) The sale of commercial items, imported items, and secondhand items by any vendor is prohibited; and
    - (E) No vendor is a franchisee.
- (ii) "Farmer" means a natural person who sells, with or without processing, agricultural products that he or she raises on land he or she owns or leases in this state or in another state's county that borders this state.
- 27 (iii) "Processor" means a natural person who sells processed food 28 that he or she has personally prepared on land he or she owns or leases 29 in this state or in another state's county that borders this state.
- 30 <u>(iv) "Reseller" means a natural person who buys agricultural</u>
  31 <u>products from a farmer and resells the products directly to the</u>
  32 consumer.

--- END ---

p. 3 HB 2118