

# HOUSE BILL REPORT

## SSB 6572

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### As Passed House:

March 5, 2008

**Title:** An act relating to off-premises microbrewery warehouses.

**Brief Description:** Allowing microbreweries to maintain off-premises warehouses for distribution.

**Sponsors:** By Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Spanel, Jacobsen, Kohl-Welles and McDermott).

### Brief History:

#### Committee Activity:

Commerce & Labor: 2/26/08, 2/28/08 [DP].

#### Floor Activity:

Passed House: 3/5/08, 96-0.

### Brief Summary of Substitute Bill

- Authorizes microbreweries operating as self-distributors to maintain one off-premise warehouse for the distribution of beer if the warehouse is approved by the Liquor Control Board.

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## HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

**Staff:** Brian Considine (786-7290).

### Background:

Microbreweries are permitted to act as distributors for beer of their own production. A microbrewery license (license) authorizes a microbrewery to distribute its own product directly to retailers from its premises, and distribution is only allowed from a microbreweries premises since the license only attaches to its premises.

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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.*

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**Summary of Bill:**

A microbrewery operating as a self-distributor is authorized to maintain one warehouse site off the premises of the microbrewery for the distribution of beer if the warehouse is approved by the Liquor Control Board.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed, except section 2 which reinstates prior law related to microbrewerie's license after a scheduled expiration and takes effect June 30, 2008.

**Staff Summary of Public Testimony:**

(In support) This bill will help small microbreweries with distribution of its beer. It will reduce trips on freeways and reduce the environmental impact of brewers outside the Seattle area who spend a lot of time driving back and forth on Interstate 5. Microbreweries worked closely with the Liquor Control Board on the language for this bill.

(Neutral) This bill would allow for an additional warehouse and the warehouse could be placed in downtown Seattle to service Seattle-area customers.

(Opposed) None.

**Persons Testifying:** (In support) Senator Spanel, prime sponsor; and Arlen Harris, Washington Brewers Guild.

(Neutral) Rick Garza, Washington State Liquor Control Board.

**Persons Signed In To Testify But Not Testifying:** None.