

SENATE BILL REPORT

SB 5596

As Reported by Senate Committee On:
Commerce & Labor, February 18, 2015

Title: An act relating to creating a special permit by a manufacturer of wine to hold a private event for the purpose of tasting and selling wine of its own production.

Brief Description: Creating a special permit by a manufacturer of wine to hold a private event for the purpose of tasting and selling wine of its own production. [**Revised for 1st Substitute:** Creating a special permit for a manufacturer of wine to hold a private event for the purpose of tasting and selling wine of its own production.]

Sponsors: Senators King, Hewitt, Kohl-Welles and McAuliffe.

Brief History:

Committee Activity: Commerce & Labor: 2/16/15, 2/18/15 [DPS].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: That Substitute Senate Bill No. 5596 be substituted therefor, and the substitute bill do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; Hasegawa, Ranking Minority Member; Conway, Keiser, King and Warnick.

Staff: Richard Rodger (786-7461)

Background: The Liquor Control Board (LCB) issues a variety of special permits for selling, serving, and handling alcohol at specified events or to persons or entities who do not hold a liquor license. Many special permits are of limited duration for a specified purpose or event, or are issued for a purpose falling outside the commercial activities ordinarily engaged in by a licensee. For example, special permits are issued to allow for the consumption of liquor at banquets and to allow a manufacturer or distributor to donate liquor to delegates and guests at conventions and international trade fairs. Unless a fee is specified in statute, the fees for permits are generally established by LCB by rule.

Summary of Bill (Recommended Substitute): LCB is authorized to issue a special permit to a wine manufacturer allowing a wine tasting and sales event at a specified location on a specified date. The event may not be open to the general public and the wine tasted or sold must be of the winery's own production. The permit must be obtained from LCB for a fee of

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\$10 per event. The application for the permit must be submitted at least ten days prior to the event and the permit must be posted during the event.

EFFECT OF CHANGES MADE BY COMMERCE & LABOR COMMITTEE (Recommended Substitute): Permits do not have to be obtained online.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: This bill will assist domestic wineries by allowing them to participate in selling wine at private events off the winery's premises. The industry is very competitive and this will be a good tool for small wineries to utilize. It would reduce the fiscal note on the bill if we did not require the permits to be purchased online.

Persons Testifying: PRO: Gaye McNutt, Cadence Winery – Owner, WA Wine Institute – Board Member; Ann Anderson, WA Wine Industry, Walter Dacon Wines – Owner.