

HB 2412 - S AMD 1177  
By Senator Keiser

ADOPTED AS AMENDED 03/06/2020

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 66.24.240 and 2011 c 195 s 6 and 2011 c 119 s 212  
4 are each reenacted and amended to read as follows:

5 (1) There shall be a license for domestic breweries; fee to be  
6 two thousand dollars for production of sixty thousand barrels or more  
7 of malt liquor per year.

8 (2) Any domestic brewery, except for a brand owner of malt  
9 beverages under RCW 66.04.010(7), licensed under this section may  
10 also act as a distributor and/or retailer for beer of its own  
11 production. Any domestic brewery operating as a distributor and/or  
12 retailer under this subsection shall comply with the applicable laws  
13 and rules relating to distributors and/or retailers. A domestic  
14 brewery holding a spirits, beer, and wine restaurant license may sell  
15 beer of its own production for off-premises consumption from its  
16 restaurant premises in kegs or in a sanitary container brought to the  
17 premises by the purchaser or furnished by the licensee and filled at  
18 the tap by the licensee at the time of sale.

19 (3) Any domestic brewery licensed under this section may also  
20 sell beer produced by another domestic brewery or a microbrewery for  
21 on and off-premises consumption from its premises as long as the  
22 other breweries' brands do not exceed twenty-five percent of the  
23 domestic brewery's on-tap offering of its own brands.

24 (4) A domestic brewery may hold up to ~~((two))~~ four retail  
25 licenses to operate an on or ~~((off-premise—[off-premises]))~~ off-  
26 premises tavern, beer and/or wine restaurant, ~~((or))~~ spirits, beer,  
27 and wine restaurant, or any combination there of. This retail license  
28 is separate from the brewery license. A brewery that holds a tavern  
29 license, a spirits, beer, and wine restaurant license, or a beer  
30 and/or wine restaurant license shall hold the same privileges and  
31 endorsements as permitted under RCW 66.24.320, 66.24.330, and  
32 66.24.420.

1 (5) Any domestic brewery licensed under this section may  
2 contract-produce beer for a brand owner of malt beverages defined  
3 under RCW 66.04.010(7), and this contract-production is not a sale  
4 for the purposes of RCW 66.28.170 and 66.28.180.

5 (6) (a) A domestic brewery licensed under this section and  
6 qualified for a reduced rate of taxation pursuant to RCW  
7 66.24.290(3) (b) may apply to the board for an endorsement to sell  
8 bottled beer of its own production at retail for off-premises  
9 consumption at a qualifying farmers market. The annual fee for this  
10 endorsement is seventy-five dollars.

11 (b) For each month during which a domestic brewery will sell beer  
12 at a qualifying farmers market, the domestic brewery must provide the  
13 board or its designee a list of the dates, times, and locations at  
14 which bottled beer may be offered for sale. This list must be  
15 received by the board before the domestic brewery may offer beer for  
16 sale at a qualifying farmers market.

17 (c) The beer sold at qualifying farmers markets must be produced  
18 in Washington.

19 (d) Each approved location in a qualifying farmers market is  
20 deemed to be part of the domestic brewery license for the purpose of  
21 this title. The approved locations under an endorsement granted under  
22 this subsection do not include the tasting or sampling privilege of a  
23 domestic brewery. The domestic brewery may not store beer at a  
24 farmers market beyond the hours that the domestic brewery offers  
25 bottled beer for sale. The domestic brewery may not act as a  
26 distributor from a farmers market location.

27 (e) Before a domestic brewery may sell bottled beer at a  
28 qualifying farmers market, the farmers market must apply to the board  
29 for authorization for any domestic brewery with an endorsement  
30 approved under this subsection to sell bottled beer at retail at the  
31 farmers market. This application shall include, at a minimum: (i) A  
32 map of the farmers market showing all booths, stalls, or other  
33 designated locations at which an approved domestic brewery may sell  
34 bottled beer; and (ii) the name and contact information for the on-  
35 site market managers who may be contacted by the board or its  
36 designee to verify the locations at which bottled beer may be sold.  
37 Before authorizing a qualifying farmers market to allow an approved  
38 domestic brewery to sell bottled beer at retail at its farmers market  
39 location, the board shall notify the persons or entities of such  
40 application for authorization pursuant to RCW 66.24.010 (8) and (9).

1 An authorization granted under this subsection (6)(e) may be  
2 withdrawn by the board for any violation of this title or any rules  
3 adopted under this title.

4 (f) The board may adopt rules establishing the application and  
5 approval process under this section and such additional rules as may  
6 be necessary to implement this section.

7 (g) For the purposes of this subsection:

8 (i) "Qualifying farmers market" means an entity that sponsors a  
9 regular assembly of vendors at a defined location for the purpose of  
10 promoting the sale of agricultural products grown or produced in this  
11 state directly to the consumer under conditions that meet the  
12 following minimum requirements:

13 (A) There are at least five participating vendors who are farmers  
14 selling their own agricultural products;

15 (B) The total combined gross annual sales of vendors who are  
16 farmers exceeds the total combined gross annual sales of vendors who  
17 are processors or resellers;

18 (C) The total combined gross annual sales of vendors who are  
19 farmers, processors, or resellers exceeds the total combined gross  
20 annual sales of vendors who are not farmers, processors, or  
21 resellers;

22 (D) The sale of imported items and secondhand items by any vendor  
23 is prohibited; and

24 (E) No vendor is a franchisee.

25 (ii) "Farmer" means a natural person who sells, with or without  
26 processing, agricultural products that he or she raises on land he or  
27 she owns or leases in this state or in another state's county that  
28 borders this state.

29 (iii) "Processor" means a natural person who sells processed food  
30 that he or she has personally prepared on land he or she owns or  
31 leases in this state or in another state's county that borders this  
32 state.

33 (iv) "Reseller" means a natural person who buys agricultural  
34 products from a farmer and resells the products directly to the  
35 consumer.

36 (7) The state board of health shall adopt rules to allow dogs on  
37 the premises of licensed domestic breweries that do not provide food  
38 service subject to a food service permit requirement.

1       **Sec. 2.** RCW 66.24.244 and 2015 c 42 s 1 are each amended to read  
2 as follows:

3       (1) There shall be a license for microbreweries; fee to be one  
4 hundred dollars for production of less than sixty thousand barrels of  
5 malt liquor, including strong beer, per year.

6       (2)(a) Any microbrewery licensed under this section may also act  
7 as a distributor and/or retailer for beer and strong beer of its own  
8 production.

9       (b) Any microbrewery operating as a distributor and/or retailer  
10 under this subsection must comply with the applicable laws and rules  
11 relating to distributors and/or retailers, except that a microbrewery  
12 operating as a distributor may maintain a warehouse off the premises  
13 of the microbrewery for the distribution of beer provided that:

14       (i) The warehouse has been approved by the board under RCW  
15 66.24.010; and

16       (ii) The number of warehouses off the premises of the  
17 microbrewery does not exceed one.

18       (c) A microbrewery holding a spirits, beer, and wine restaurant  
19 license may sell beer of its own production for off-premises  
20 consumption from its restaurant premises in kegs or in a sanitary  
21 container brought to the premises by the purchaser or furnished by  
22 the licensee and filled at the tap by the licensee at the time of  
23 sale.

24       (3) Any microbrewery licensed under this section may also sell  
25 from its premises for on-premises and off-premises consumption:

26       (a) Beer produced by another microbrewery or a domestic brewery  
27 as long as the other breweries' brands do not exceed twenty-five  
28 percent of the microbrewery's on-tap offerings; or

29       (b) Cider produced by a domestic winery.

30       (4) The board may issue up to (~~two~~) four retail licenses  
31 allowing a microbrewery to operate an on or off-premises tavern, beer  
32 and/or wine restaurant, (~~or~~) spirits, beer, and wine restaurant, or  
33 any combination thereof.

34       (5) A microbrewery that holds a tavern license, spirits, beer,  
35 and wine restaurant license, or a beer and/or wine restaurant license  
36 holds the same privileges and endorsements as permitted under RCW  
37 66.24.320, 66.24.330, and 66.24.420.

38       (6)(a) A microbrewery licensed under this section may apply to  
39 the board for an endorsement to sell bottled beer of its own  
40 production at retail for off-premises consumption at a qualifying

1 farmers market. The annual fee for this endorsement is seventy-five  
2 dollars. However, strong beer may not be sold at a farmers market or  
3 under any endorsement which may authorize microbreweries to sell beer  
4 at farmers markets.

5 (b) For each month during which a microbrewery will sell beer at  
6 a qualifying farmers market, the microbrewery must provide the board  
7 or its designee a list of the dates, times, and locations at which  
8 bottled beer may be offered for sale. This list must be received by  
9 the board before the microbrewery may offer beer for sale at a  
10 qualifying farmers market.

11 (c) Any person selling or serving beer must obtain a class 12 or  
12 class 13 alcohol server permit.

13 (d) The beer sold at qualifying farmers markets must be produced  
14 in Washington.

15 (e) Each approved location in a qualifying farmers market is  
16 deemed to be part of the microbrewery license for the purpose of this  
17 title. The approved locations under an endorsement granted under this  
18 subsection (6) include tasting or sampling privileges subject to the  
19 conditions pursuant to RCW 66.24.175. The microbrewery may not store  
20 beer at a farmers market beyond the hours that the microbrewery  
21 offers bottled beer for sale. The microbrewery may not act as a  
22 distributor from a farmers market location.

23 (f) Before a microbrewery may sell bottled beer at a qualifying  
24 farmers market, the farmers market must apply to the board for  
25 authorization for any microbrewery with an endorsement approved under  
26 this subsection (6) to sell bottled beer at retail at the farmers  
27 market. This application must include, at a minimum: (i) A map of the  
28 farmers market showing all booths, stalls, or other designated  
29 locations at which an approved microbrewery may sell bottled beer;  
30 and (ii) the name and contact information for the on-site market  
31 managers who may be contacted by the board or its designee to verify  
32 the locations at which bottled beer may be sold. Before authorizing a  
33 qualifying farmers market to allow an approved microbrewery to sell  
34 bottled beer at retail at its farmers market location, the board must  
35 notify the persons or entities of the application for authorization  
36 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
37 this subsection (6)(f) may be withdrawn by the board for any  
38 violation of this title or any rules adopted under this title.

1 (g) The board may adopt rules establishing the application and  
2 approval process under this section and any additional rules  
3 necessary to implement this section.

4 (h) For the purposes of this subsection (6):

5 (i) "Qualifying farmers market" has the same meaning as defined  
6 in RCW 66.24.170.

7 (ii) "Farmer" means a natural person who sells, with or without  
8 processing, agricultural products that he or she raises on land he or  
9 she owns or leases in this state or in another state's county that  
10 borders this state.

11 (iii) "Processor" means a natural person who sells processed food  
12 that he or she has personally prepared on land he or she owns or  
13 leases in this state or in another state's county that borders this  
14 state.

15 (iv) "Reseller" means a natural person who buys agricultural  
16 products from a farmer and resells the products directly to the  
17 consumer.

18 (7) Any microbrewery licensed under this section may  
19 contract-produce beer for another microbrewer. This contract-  
20 production is not a sale for the purposes of RCW 66.28.170 and  
21 66.28.180.

22 (8) The state board of health shall adopt rules to allow dogs on  
23 the premises of licensed microbreweries that do not provide food  
24 service subject to a food service permit requirement."

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25 On page 1, line 2 of the title, after "licenses;" strike the  
26 remainder of the title and insert "amending RCW 66.24.244; and  
27 reenacting and amending RCW 66.24.240."

EFFECT: Removes the provisions declaring that nothing prohibits  
the owners from allowing dogs on the premises. Requires the State  
Board of Health to adopt rules to allow dogs on the premises of  
licensed domestic breweries and microbreweries that do not provide  
food service subject to a food service permit requirement.

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