

HOUSE BILL REPORT

HB 1299

As Reported by House Committee On:
Regulated Substances & Gaming

Title: An act relating to workforce development in the beverage alcohol industry.

Brief Description: Concerning workforce development in the beverage alcohol industry.

Sponsors: Representatives Chambers, Wylie, Robertson, Cheney and Reed.

Brief History:

Committee Activity:

Regulated Substances & Gaming: 1/23/23, 1/26/23 [DPS], 1/9/24, 1/15/24 [DP2S].

Brief Summary of Second Substitute Bill

- Allows employees and interns of certain liquor licensees who are between 18 and 21 years of age to engage in the manufacture and production of liquor under specified conditions.

HOUSE COMMITTEE ON REGULATED SUBSTANCES & GAMING

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 11 members: Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Caldier, Cheney, Morgan, Orwall, Reeves and Waters.

Staff: Matt Sterling (786-7289).

Background:

Under certain specified circumstances, certain liquor licensees may employ interns or employees between the ages of 18 and 21 years of age to hold, handle, transport, or otherwise possess liquor. A non-retail class licensee is permitted to allow an employee

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between the ages of 18 and 21 years of age to stock, merchandise, and handle liquor if a person 21 years of age or older is on duty supervising.

A domestic winery licensee may allow employees and interns between 18 and 21 years of age to engage in wine production-related work at the domestic winery's licensed location, so long as the intern is enrolled as a student at a community or technical college, regional university, or state university that holds a special permit for this purpose issued by the Liquor and Cannabis Board. The intern must also be enrolled in a required or elective class as part of a culinary, sommelier, wine business, enology, viticulture, wine technology, beer technology, or spirituous technology-related degree program. A domestic winery or non retail class liquor licensee is solely responsible for any act or omission of their employee or intern that occurs at or on the licensee's premises that violates liquor laws.

Summary of Bill (Second Substitute):

Employees and interns of all liquor licensees with privileges for manufacturing or producing beer, wine, spirits, or any type of liquor who are between 18 and 21 years of age may engage in the manufacture and production of liquor at the licensed location under certain circumstances.

The employees and interns of such licensees that are under 21 years of age may only work in the licensee's production facility if there is a person 21 years of age or older who is on duty supervising such activities. Interns of a licensee must be a student at a college or university that holds a special permit as part of a degree program and be enrolled in a class as part of a culinary, sommelier, wine business, enology, viticulture, wine technology, beer technology, or spirituous technology related degree program. An employee under 21 years of age engaging in the manufacture and production of liquor is not authorized to sell or serve liquor.

Second Substitute Bill Compared to Original Bill:

The second substitute changes the reference to spirit manufacturing and spirit production to liquor manufacturing and liquor production to clarify that the manufacturing and production of beer and wine is also authorized for interns of a liquor license.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Back in 2021 the Legislature passed House Bill 1289 about alcohol production to allow students under 21 years of age in a winemaking program at Washington State University to work in manufacturing facilities. Prior to that, the Legislature allowed students to taste wine as part of coursework. Some students under 21 years of age, complete the program, and then they would not be able to continue working in the winery once they finish the course. Once this bill was introduced, beer and spirits manufacturers also wanted to employ these same individuals just like wineries. This is about working in production side and warehouse jobs and individuals under 21 years of age have to be supervised by someone over 21 years of age. This bill is about enabling craft brewers and distillers to hire entry level jobs that are frequently part-time like sanitation, stocking, warehouse work, and finance. This bill is not about selling alcohol, it is about moving the raw goods around. Outside contractors like an electrician or plumber under 21 years of age can be hired to come do work in a licensee's building, but the licensee can not employ someone under 21 years of age. In Washington, people who are 16 years of age can work in grocery stores and restaurants where alcohol is located in that facility. Washington wants to double manufacturing jobs over the next decade and it is harder to increase jobs if we are unable to fill entry levels positions with younger individuals. When this was addressed in a previous session, only the wineries were addressed in the bill, so this bill addresses the same labor shortage issues for beer and spirits manufacturers.

(Opposed) None.

Persons Testifying: Representative Kelly Chambers, prime sponsor; and Justin Stiefel, Heritage Distilling Company.

Persons Signed In To Testify But Not Testifying: None.