SENATE BILL REPORT SB 5055

As of January 16, 2025

Title: An act relating to promoting agritourism in Washington.

Brief Description: Promoting agritourism in Washington.

Sponsors: Senators Warnick, Wagoner, Chapman, Dozier and Wellman.

Brief History:

Committee Activity: Local Government: 1/16/25.

Brief Summary of Bill

- Allows a county or city to use innovative zoning techniques for certain agricultural activities.
- Establishes that agricultural buildings also used for agritourism purposes are not required to meet additional commercial standards if the venue is only open six months or less every year.
- Requires the Liquor and Cannabis Board to issue a beer and wine license to an agritourism venue for the sale of beer, strong beer, and wine for on-premises consumption.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Staff: Karen Epps (786-7424)

Background: <u>Growth Management Act.</u> The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land use designation for all Washington counties and cities, and additional planning duties for 29 counties, and the cities within those counties, obligated to satisfy all planning requirements of the GMA.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Innovative Zoning Techniques. Counties and cities may consider innovative zoning techniques to conserve agricultural lands and encourage the agricultural economy. Allowable methods include agricultural zoning limiting density, cluster zoning, large lot zoning, quarter/quarter zoning, and sliding scale zoning.

<u>Agricultural Accessory Uses.</u> Counties and cities have authority to limit or exclude allowable accessory uses on agricultural lands. Allowable agricultural accessory uses and activities include those related to storage and distribution. Nonagricultural accessories and uses are allowed if they are consistent with the size, scale, and intensity of the existing agricultural use of the property and existing buildings onsite. Nonagricultural accessories may not extend beyond areas already developed for buildings and may not otherwise convert more than one acre of agricultural land to nonagricultural use.

<u>State Building Code</u>. The State Building Code establishes minimum performance standards and requirements for construction and construction materials in the state consistent with accepted standards of engineering, fire, and life safety. The code comprises a number of model codes and standards, developed and published by international and national organizations, which are adopted by reference in the State Building Code Act. Model codes and standards adopted in the act include the International Building Code, the International Residential Code, and the International Fire Code standards.

<u>Liquor Licenses and Permits.</u> The Liquor and Cannabis Board (LCB) issues a variety of liquor licenses and permits authorizing the service, sale, or use of alcoholic beverages in different circumstances. Examples of available permits include a banquet permit, a permit for an event held at a business without a liquor license, a permit for nonprofit organizations to auction wine, and a permit for bed and breakfast lodging facilities. Fees from liquor licenses and permits are deposited into the Liquor Revolving Fund.

<u>Agritourism</u>. An agritourism professional is not liable for unintentional injury, loss, damage, or death resulting exclusively from the inherent risks of an agritourism activity. Agritourism activity is defined as any activity carried out on a farm or ranch whose primary business activity is agriculture or ranching and allows members of the general public, for recreational, entertainment, or educational purposes, to view or enjoy rural activities including, but not limited to:

- farming, ranching;
- historic, cultural, and on-site educational programs;
- recreational farming programs that may include on-site hospitality services;
- guided and self-guided tours;
- petting zoos, farm festivals, corn mazes, hayrides;
- harvest-your-own operations;
- barn parties; and
- horseback riding, fishing, and camping.

Agritourism professionals are required to post a specified warning notice at the site of the

agritourism activity and to include the warning notice in written contracts.

Summary of Bill: Innovative zoning techniques a county or city may consider including is amended to add agritourism activities that generate supplemental income for farms by connecting their resources and products with visitors. Such activities may include direct sales, educational activities, entertainment, seasonal outdoor activities, and hospitality. To be included as accessory uses, activities must promote agriculture and rural character within agricultural zones, and must be related to the on-site agriculture. Counties may permit agritourism after consultation with neighboring landowners and after creating criteria regarding adequate water, septic, and parking as well as curfews and seasons of use to avoid disturbing the peace and quiet enjoyment of neighbors, and interference with neighboring agriculture.

Counties may adopt ordinances to permit agritourism activities that generate supplemental income for farms in agricultural zones. Such activities may include direct sales, educational activities, entertainment, seasonal outdoor activities, and hospitality. To be included as accessory uses, activities must promote agriculture and rural character within agricultural zones, and must be related to the on-site agriculture. Counties may permit agritourism after consultation with neighboring landowners and after creating criteria regarding adequate water, septic, and parking as well as curfews and seasons of use to avoid disturbing the peace and quiet enjoyment of neighbors, and interference with neighboring agriculture. The presence of agritourism activities may not be used as a basis to change the taxation category of the land.

Agricultural buildings also used for agritourism purposes are not required to meet additional commercial standards if the venue is only open six months or less every year.

LCB must issue a beer and wine license to an agritourism venue for the sale of beer, strong beer, and wine for on-premises consumption.

Agritourism venues may sell beer and wine for off-premises consumption if the beer and wine is manufactured by a microbrewery or craft winery located within the state. Agritourism venues must provide a plan to prevent minors from unlawfully accessing alcoholic beverages.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: I'm always interested in educating people

about agriculture. Agriculture needs help, it is losing income more and more due to the cost of doing business and this is a way to be creative to allow for innovation. I appreciate the recognition of agritourism at the state level, it is not only important for farms that are trying to supplement their income, but also to introduce people to the lifestyle that agricultural communities have enjoyed for many years. Local government remains the best point to balance the spirit and intent of the Growth Management Act with local priorities and cultural expectations, section 2 should be analyzed to ensure that its implementation is consistent with the rest of the innovative zoning techniques. Having the liquor license option would be helpful to expand business opportunities.

CON: We have the public come out to our farm where they learn about the animals, how we operate and how the food gets from the field to their table. Section 2 of the bill makes it open to interpretation of counties and would be a lot more restrictive. The concern we have is including the language around hospitality because it opens it up to allowing bars and taverns that don't really associate with the underlying goals of that agricultural use. Commerce is doing a study around agritourism so we will also be looking to see what might come out of that. I have concerns around the six-month imposition in this bill because we have three seasons of business on our farm. There are aspects of this bill that are helpful but what is not helpful is opening up our operations to everyone that surrounds us, we have the right to farm and should not have to ask permission from our neighbors to have a festival on the farm.

OTHER: Four years into running a pumpkin patch we got a cease and desist order from the county for using buildings that were permitted for residential use to sell pumpkins for a few days each year so we are in favor of having the commercial building code requirements removed for agritourism farms. Not in favor of section 2, it is vague and duplicative of county standards that are already in place. The concern we have is with section 2 that states the presence of agritourism activities may not be used as the basis to change the taxation category of land which is intended to allow for property participating in the open space current use exemption program. Assessors administer this program with direction from Department of Revenue and so it would be helpful to amend RCW 84.34 so that there is no conflict in the requirements.

Persons Testifying: PRO: Senator Judy Warnick, Prime Sponsor; Robby Rutledge; Cory Wright, Kittitas County.

CON: Scott Luckie, Luckie Farms; Bryce Yadon, Futurewise; Keith Stocker, Stocker Farms, Inc.

OTHER: Linda Hjelle, WA Association of County Assessors; Hilary Jensen, Jensen Farms.

Persons Signed In To Testify But Not Testifying: No one.