<u>SHB 2118</u> - S COMM AMD By Committee on Commerce & Trade

NOT ADOPTED 04/08/2003

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

- 3 "Sec. 1. RCW 66.24.244 and 1998 c 126 s 3 are each amended to read 4 as follows:
 - (1) There shall be a license for microbreweries; fee to be one hundred dollars for production of less than sixty thousand barrels of malt liquor per year.
 - (2) Any microbrewery license under this section may also act as a distributor and/or retailer for beer of its own production. Any microbrewery operating as a distributor and/or retailer under this subsection shall comply with the applicable laws and rules relating to distributors and/or retailers.
 - (3) The board may issue an endorsement to this license allowing for on-premises consumption of beer, wine, or both of other manufacture if purchased from a Washington state-licensed distributor. Each endorsement shall cost two hundred dollars per year, or four hundred dollars per year allowing the sale and service of both beer and wine.
 - (4) The microbrewer obtaining such endorsement must determine, at the time the endorsement is issued, whether the licensed premises will be operated either as a tavern with persons under twenty-one years of age not allowed as provided for in RCW 66.24.330, or as a beer and/or wine restaurant as described in RCW 66.24.320.
 - (5)(a) A microbrewery licensed under this section may apply to the board for an endorsement to sell bottled beer of its own production at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-five dollars.
- 27 (b) For each month during which a microbrewery will sell beer at a 28 qualifying farmers market, the microbrewery must provide the board or 29 its designee a list of the dates, times, and locations at which bottled

- beer may be offered for sale. This list must be received by the board
 before the microbrewery may offer beer for sale at a qualifying farmers
 market.
- 4 <u>(c) The beer sold at qualifying farmers markets must be produced in</u>
 5 <u>Washington.</u>

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- (d) Each approved location in a qualifying farmers market is deemed to be part of the microbrewery license for the purpose of this title. The approved locations under an endorsement granted under this subsection (5) do not constitute the tasting or sampling privilege of a microbrewery. The microbrewery may not store beer at a farmers market beyond the hours that the microbrewery offers bottled beer for sale. The microbrewery may not act as a distributor from a farmers market location.
- (e) Before a microbrewery may sell bottled beer at a qualifying 14 farmers market, the farmers market must apply to the board for 15 authorization for any microbrewery with an endorsement approved under 16 this subsection (5) to sell bottled beer at retail at the farmers 17 market. This application shall include, at a minimum: (i) A map of 18 the farmers market showing all booths, stalls, or other designated 19 locations at which an approved microbrewery may sell bottled beer; and 20 21 (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the 22 locations at which bottled beer may be sold. Before authorizing a 23 24 qualifying farmers market to allow an approved microbrewery to sell bottled beer at retail at its farmers market location, the board shall 25 notify the persons or entities of the application for authorization 26 27 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under this subsection (5)(e) may be withdrawn by the board for any violation 28 of this title or any rules adopted under this title. 29
 - (f) The board may adopt rules establishing the application and approval process under this section and any additional rules necessary to implement this section.
 - (g) For the purposes of this subsection (5):
- (i) "Qualifying farmers market" means an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this

- 1 state directly to the consumer under conditions that meet the following
 2 minimum requirements:
- 3 (A) There are at least five participating vendors who are farmers 4 selling their own agricultural products;
- 5 (B) The total combined gross annual sales of vendors who are
 6 farmers exceeds the total combined gross annual sales of vendors who
 7 are processors or resellers;
 - (C) The total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;
- 11 <u>(D) The sale of imported items and secondhand items by any vendor</u> 12 is prohibited; and
- (E) No vendor is a franchisee.

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- (ii) "Farmer" means a natural person who sells, with or without
 processing, agricultural products that he or she raises on land he or
 she owns or leases in this state or in another state's county that
 borders this state.
- (iii) "Processor" means a natural person who sells processed food
 that he or she has personally prepared on land he or she owns or leases
 in this state or in another state's county that borders this state.
- 21 <u>(iv) "Reseller" means a natural person who buys agricultural</u>
 22 <u>products from a farmer and resells the products directly to the</u>
 23 consumer."

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On page 1, line 2 of the title, after "markets;" strike the remainder of the title and insert "and amending RCW 66.24.244."

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