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**SUBSTITUTE HOUSE BILL 2118**

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**State of Washington**                      **58th Legislature**                      **2003 Regular Session**

**By** House Committee on Commerce & Labor (originally sponsored by Representatives Newhouse and Sullivan)

READ FIRST TIME 03/05/03.

1            AN ACT Relating to the marketing of microbrew beer at farmers  
2 markets; and amending RCW 66.24.244.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 66.24.244 and 1998 c 126 s 3 are each amended to read  
5 as follows:

6            (1) There shall be a license for microbreweries; fee to be one  
7 hundred dollars for production of less than sixty thousand barrels of  
8 malt liquor per year.

9            (2) Any microbrewery license under this section may also act as a  
10 distributor and/or retailer for beer of its own production. Any  
11 microbrewery operating as a distributor and/or retailer under this  
12 subsection shall comply with the applicable laws and rules relating to  
13 distributors and/or retailers.

14            (3) The board may issue an endorsement to this license allowing for  
15 on-premises consumption of beer, wine, or both of other manufacture if  
16 purchased from a Washington state-licensed distributor. Each  
17 endorsement shall cost two hundred dollars per year, or four hundred  
18 dollars per year allowing the sale and service of both beer and wine.

1 (4) The microbrewer obtaining such endorsement must determine, at  
2 the time the endorsement is issued, whether the licensed premises will  
3 be operated either as a tavern with persons under twenty-one years of  
4 age not allowed as provided for in RCW 66.24.330, or as a beer and/or  
5 wine restaurant as described in RCW 66.24.320.

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

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

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

19 (d) Each approved location in a qualifying farmers market is deemed  
20 to be part of the microbrewery license for the purpose of this title.  
21 The approved locations under an endorsement granted under this  
22 subsection (5) do not include the tasting or sampling privilege of a  
23 microbrewery. The microbrewery may not store beer at a farmers market  
24 beyond the hours that the microbrewery offers bottled beer for sale.  
25 The microbrewery may not act as a distributor to retail licensees from  
26 the farmers market location.

27 (e) Before a microbrewery may sell bottled beer at a qualifying  
28 farmers market, the farmers market must apply to the board for  
29 authorization for any microbrewery with an endorsement approved under  
30 this subsection (5) to sell bottled beer at retail at the farmers  
31 market. This application shall include, at a minimum: (i) A map of  
32 the farmers market showing all booths, stalls, or other designated  
33 locations at which an approved microbrewery may sell bottled beer; and  
34 (ii) the name and contact information for the on-site market managers  
35 who may be contacted by the board or its designee to verify the  
36 locations at which bottled beer may be sold. Before authorizing a  
37 qualifying farmers market to allow an approved microbrewery to sell  
38 bottled beer at retail at its farmers market location, the board shall

1 notify the persons or entities of the application for authorization  
2 pursuant to RCW 66.24.010 (8) and (9). An authorization granted under  
3 this subsection (5)(e) may be withdrawn by the board for any violation  
4 of this title or any rules adopted under this title.

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

8 (g) For the purposes of this subsection (5):

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

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

16 (B) The total combined gross annual sales of vendors who are  
17 farmers, processors, or resellers other than microbreweries exceeds the  
18 total combined gross annual sales of vendors who are microbreweries;

19 (C) The sale of commercial items, imported items, and secondhand  
20 items by any vendor is prohibited; and

21 (D) No vendor is a franchisee.

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

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

29 (iv) "Reseller" means a natural person who buys agricultural  
30 products from a farmer and resells the products directly to the  
31 consumer.

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