

# FINAL BILL REPORT

## SHB 2959

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Synopsis as Enacted

**Brief Description:** Concerning craft distilleries.

**Sponsors:** By House Committee on Commerce & Labor (originally sponsored by Representatives Wood, Ormsby, Springer, Conway, Linville, Barlow, Walsh and Quall).

**House Committee on Commerce & Labor**

**Senate Committee on Labor, Commerce, Research & Development**

**Background:**

Persons manufacturing liquor in the state must obtain the appropriate license from the Liquor Control Board (Board) and pay the fee. Common manufacturing licenses include:

Brewery (60,000 barrels or more per year)	\$6,000
Brewery (60,000 barrels or more per year)	\$ 100
Winery (250,000 liters or more per year)	\$ 400
Winery (less than 250,000 liters per year)	\$ 100
Distiller	\$2,000

The sale and distribution of beer and wine is governed by Washington's three-tier system, in which the manufacturer, distributor, and retailer tiers are separate. Numerous exceptions, however, have been enacted. Wineries and breweries, for example, may act as retailers and sell liquor of their own production. Liquor laws also prohibit the giving away of liquor except as specified. Breweries and microbreweries, and wineries may serve beer and wine, respectively, without charge on their premises.

Under Washington's control state system for the sale of spirits, distillers are prohibited from selling spirits to any person or entity other than the Board.

Persons who serve alcohol at certain retail licensed premises must undergo alcohol server training and obtain a class 12 or class 13 alcohol server permit. A class 12 permit is for persons 21 or over who also mix drinks and a class 13 permit is for persons 18 or over and allows only the service of drinks.

**Summary:**

A reduced license fee for a craft distiller is established. A craft distiller produces 20,000 gallons or less of spirits, with at least half the raw materials used in the production grown in Washington.

A craft distiller may sell spirits of its own production for off-premises consumption, up to two liters per person per day. A craft distiller may also provide samples to persons on the premises. The samples are limited to 0.5 ounce samples and two ounces total per person per day. Persons serving samples must obtain a class 12 alcohol server permit. Spirits sold on the premises or given away as samples must be purchased from the Board and sold at the retail price established by the Board.

Craft distillers are otherwise subject to the same laws as apply to other manufacturers.

**Votes on Final Passage:**

House	89	1
Senate	47	0

**Effective:** June 12, 2008  
July 1, 2008 (Sections 4 & 11)