

SENATE BILL REPORT

SSB 5639

As Amended by House, March 30, 2007

Title: An act relating to a caterer's endorsement for licensed microbreweries.

Brief Description: Authorizing a caterer's endorsement for licensed microbreweries.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Spanel, Clements, Pflug, Kohl-Welles, Jacobsen, Rasmussen, Poulsen, Regala and Kline).

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 2/05/07, 2/13/07 [DPS].
Passed Senate: 3/06/07, 48-0.

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5639 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Clements, Ranking Minority Member; Franklin, Holmquist and Prentice.

Staff: Jennifer Strus (786-7316)

Background: The Liquor Control Board (LCB) issues licenses to microbreweries which are defined as breweries producing less than 60,000 barrels of beer per year. Many microbreweries also hold either a spirits, beer, and wine restaurant license or a beer and/or wine restaurant license. Until recently, the LCB has issued caterer's endorsements to some microbreweries holding one of these licenses. Based upon concerns with the tied house laws, the LCB is no longer issuing caterer's endorsements to microbreweries and, in some cases, has revoked those endorsements previously issued.

Summary of Substitute Bill: It is clarified that the LCB can issue a caterer's endorsement to a microbrewery holding a spirits, beer, and wine restaurant license or a beer and/or wine restaurant license. It is also clarified that the issuance of a caterer's endorsement is permissible under the tied house laws.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

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

Staff Summary of Public Testimony: PRO: One microbrewery with more than one location had a caterer's endorsement at two of its locations for some time and received notice from the LCB that the endorsement was in error. That really created a problem for this business because it uses the endorsement to get the word out about its product. The caterer's endorsement allows the microbrewery to take the product out of the four walls of the brewery and introduce people to it. The endorsement allows the breweries to support community events like summer festivals.

OTHER: The amendment in the bill should be moved to the tied house section of the statute.

Persons Testifying: PRO: Senator Spanel, prime sponsor; Tim Bunch, Ram Restaurants; Allen Rhoades, Rockfish Grill/Anacortes Brewery; Arlen Harris, Washington Brewer's Guild.

OTHER: Rick Garza, LCB.

House Amendment(s): Clarifies that a microbrewery or brewery holding a spirits, beer, and wine restaurant license is eligible to hold all other privileges and endorsements that are permitted to those licensees.