

# SENATE BILL REPORT

## SB 6292

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As of January 14, 2008

**Title:** An act relating to craft distilleries.

**Brief Description:** Concerning craft distilleries.

**Sponsors:** Senators Marr, Honeyford, Haugen, Kohl-Welles and Hewitt.

**Brief History:**

**Committee Activity:** Labor, Commerce, Research & Development: 1/15/08.

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Staff:** Mac Nicholson (786-7445)

**Background:** The Liquor Control Board (LCB) is responsible for issuing licenses for the in-state production of liquor. An individual interested in producing liquor must obtain the proper license and pay the associated fee. Common non-retail liquor licenses, and the corresponding fee, include:

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

Liquor licensees are subject to a number of statutory and administrative restrictions and regulations, including tied house restrictions and restrictions on giving samples, and conducting educational activities.

**Summary of Bill:** A craft distillery license is created. The fee for a craft distillery license is 100 dollars per year. A craft distillery can produce no more than 20,000 gallons of spirits per year using a pot still, and at least half of the raw materials used in the production must be grown in Washington.

A licensed craft distillery may sell spirits of its own production for consumption off the premises, up to one liter per person per day. A craft distillery may provide one-half ounce samples of spirits, limited to two ounces per person per day. Spirits sold on the premises or given away as samples must be purchased from the LCB and sold at the retail price established by the LCB.

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*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.*

The LCB is granted rule making authority to implement the craft distillery license. If a craft distillery uses neutral grain spirits, the neutral grain spirits must be made in Washington. Distilling is defined in the legislation as an agricultural practice.

Craft distilleries must make monthly reports to the LCB, and are subject to the same restrictions and regulations as other liquor licensees.

**Appropriation:** None.

**Fiscal Note:** Requested on January 11, 2008.

[OFM requested ten-year cost projection pursuant to I-960.]

**Committee/Commission/Task Force Created:** No.

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