

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 1338**

60th Legislature  
2007 Regular Session

Passed by the House February 23, 2007  
Yeas 89 Nays 0

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**Speaker of the House of Representatives**

Passed by the Senate April 11, 2007  
Yeas 49 Nays 0

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1338** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 1338**

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Passed Legislature - 2007 Regular Session

**State of Washington                      60th Legislature                      2007 Regular Session**

**By** House Committee on State Government & Tribal Affairs (originally sponsored by Representatives P. Sullivan, Newhouse, B. Sullivan and Santos)

READ FIRST TIME 02/06/07.

1            AN ACT Relating to the Washington beer commission; and amending RCW  
2 15.89.070.

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

4            **Sec. 1.** RCW 15.89.070 and 2006 c 330 s 8 are each amended to read  
5 as follows:

6            The commission shall:

7            (1) Elect a chair and officers. The officers must include a  
8 treasurer who is responsible for all receipts and disbursements by the  
9 commission and the faithful discharge of whose duties shall be  
10 guaranteed by a bond at the sole expense of the commission. The  
11 commission must adopt rules for its own governance that provide for the  
12 holding of an annual meeting for the election of officers and the  
13 transaction of other business and for other meetings the commission may  
14 direct;

15            (2) Do all things reasonably necessary to effect the purposes of  
16 this chapter. However, the commission has no rule-making power except  
17 as provided in this chapter;

18            (3) Employ and discharge managers, secretaries, agents, attorneys,  
19 and employees and engage the services of independent contractors;

1 (4) Retain, as necessary, the services of private legal counsel to  
2 conduct legal actions on behalf of the commission. The retention of a  
3 private attorney is subject to review by the office of the attorney  
4 general;

5 (5) Receive donations of beer from producers for promotional  
6 purposes under subsections (6) and (7) of this section and for fund-  
7 raising purposes under subsection (8) of this section. Donations of  
8 beer for promotional purposes may only be disseminated without charge;

9 (6) Engage directly or indirectly in the promotion of Washington  
10 beer, including, without limitation, the acquisition in any lawful  
11 manner and the dissemination without charge of beer. This  
12 dissemination is not deemed a sale for any purpose and the commission  
13 is not deemed a producer, supplier, or manufacturer, or the clerk,  
14 servant, or agent of a producer, supplier, distributor, or  
15 manufacturer. This dissemination without charge shall be for  
16 agricultural development or trade promotion, and not for fund-raising  
17 purposes under subsection (8) of this section. Dissemination for  
18 promotional purposes may include promotional hosting and must in the  
19 good faith judgment of the commission be in the aid of the marketing,  
20 advertising, sale of beer, or of research related to such marketing,  
21 advertising, or sale;

22 (7) Promote Washington beer by conducting unique beer tastings  
23 without charge;

24 (8) Beginning July 1, 2007, fund the Washington beer commission  
25 through sponsorship of up to twelve beer festivals annually at which  
26 beer may be sold to festival participants. For this purpose, the  
27 commission would qualify for issue of a special occasion license as an  
28 exception to WAC 314-05-020 but must comply with laws under Title 66  
29 RCW and rules adopted by the liquor control board under which such  
30 events may be conducted;

31 (9) Participate in international, federal, state, and local  
32 hearings, meetings, and other proceedings relating to the production,  
33 regulation, distribution, sale, or use of beer including activities  
34 authorized under RCW 42.17.190, including the reporting of those  
35 activities to the public disclosure commission;

36 (10) Acquire and transfer personal and real property, establish  
37 offices, incur expenses, and enter into contracts, including contracts  
38 for the creation and printing of promotional literature. The contracts

1 are not subject to chapter 43.78 RCW, and are cancelable by the  
2 commission unless performed under conditions of employment that  
3 substantially conform to the laws of this state and the rules of the  
4 department of labor and industries. The commission may create debt and  
5 other liabilities that are reasonable for proper discharge of its  
6 duties under this chapter;

7 (11) Maintain accounts with one or more qualified public  
8 depositories as the commission may direct, for the deposit of money,  
9 and expend money for purposes authorized by this chapter by drafts made  
10 by the commission upon such institutions or by other means;

11 (12) Cause to be kept and annually closed, in accordance with  
12 generally accepted accounting principles, accurate records of all  
13 receipts, disbursements, and other financial transactions, available  
14 for audit by the state auditor;

15 (13) Create and maintain a list of producers and disseminate  
16 information among and solicit the opinions of producers with respect to  
17 the discharge of the duties of the commission, directly or by  
18 arrangement with trade associations or other instrumentalities;

19 (14) Employ, designate as an agent, act in concert with, and enter  
20 into contracts with any person, council, commission, or other entity to  
21 promote the general welfare of the beer industry and particularly to  
22 assist in the sale and distribution of Washington beer in domestic and  
23 foreign commerce. The commission shall expend money necessary or  
24 advisable for this purpose and to pay its proportionate share of the  
25 cost of any program providing direct or indirect assistance to the sale  
26 and distribution of Washington beer in domestic or foreign commerce,  
27 employing and paying for vendors of professional services of all kinds;

28 (15) Sue and be sued as a commission, without individual liability  
29 for acts of the commission within the scope of the powers conferred  
30 upon it by this chapter; (~~and~~)

31 (16) Serve as liaison with the liquor control board on behalf of  
32 the commission and not for any individual producer;

33 (17) Until July 1, 2009, receive such gifts, grants, and endowments  
34 from public or private sources as may be made from time to time, in  
35 trust or otherwise, for the use and benefit of the purposes of the  
36 commission and expend the same or any income therefrom according to the

1 terms of the gifts, grants, or endowments.

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