

SENATE BILL REPORT

SB 6514

As Reported by Senate Committee On:
Commerce & Labor, February 7, 2014

Title: An act relating to modifying the definition of qualifying farmers markets for the purposes of serving and sampling beer and wine.

Brief Description: Modifying the definition of qualifying farmers markets for the purposes of serving and sampling beer and wine.

Sponsors: Senators Kohl-Welles, Hewitt, Holmquist Newbry, Hatfield, King, Schoesler, Keiser, Tom and Kline.

Brief History:

Committee Activity: Commerce & Labor: 2/07/14 [DP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Conway, Ranking Member; Hasegawa, Hewitt, King and Kohl-Welles.

Staff: Edith Rice (786-7444)

Background: Qualifying farmers markets are eligible to obtain a liquor license to sell beer and/or wine. Last year the law was changed to allow qualifying farmers markets to also apply for an endorsement to allow sampling of wine and/or beer. At the same time the definition of a qualifying farmers market was changed for the purpose of sampling only. The change permitted a farmers market to apply for the sampling endorsement if the total combined gross annual sales of farmers and processors at the farmers market equals \$1 million or more and the farmers market met all other qualifications.

The current definition of a qualifying farmers market for the purpose of wine and beer sales is: "an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:

- (A) there are at least five participating vendors who are farmers selling their own agricultural products;
- (B) the total combined gross annual sales of vendors who are farmers exceeds the total

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combined gross annual sales of vendors who are processors or resellers;
(C) the total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;
(D) the sale of imported items and secondhand items by any vendor is prohibited; and
(E) no vendor is a franchisee."

For the purpose of sampling of beer and wine, the definition includes the following: "However, if a farmers market does not satisfy (B) above, which requires that the total combined gross annual sales of vendors who are farmers exceed the total combined gross annual sales of vendors who are processors or resellers, a farmers market is still considered a 'qualifying farmers market' if the total combined gross annual sales of vendors at the farmers market is \$1 million dollars or more."

Summary of Bill: The definition of a qualifying farmers market is changed for the purposes of selling beer and/or wine to align with the same definition of a farmers market for the beer and wine sampling endorsement. This allows the same farmers markets that satisfy the new qualifications to provide sampling of beer and wine to meet the qualifications for selling beer and wine.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill allows farmers markets that offer beer and wine sampling to also sell the products. It also keeps the markets' emphasis on farms.

Persons Testifying: PRO: Karen Kinney, WA State Farmers Market Assn., Executive Director; Joel Wachs, WA State Farmers Market Assn., Chair, Advocacy Team.