
Commerce & Gaming Committee

HB 2641

Brief Description: Increasing the number of wineries and microbreweries that may offer wine or beer samples at farmers markets.

Sponsors: Representatives Wylie and Vick.

Brief Summary of Bill

- Increases the number of domestic wineries and microbreweries that may offer wine or beer samples at qualifying farmers markets from a combination of three at each market per day to a combination of six at each market per day.

Hearing Date: 2/1/16

Staff: Peter Clodfelter (786-7127).

Background:

A domestic winery may apply for an endorsement to its domestic winery license authorizing the sale of wine at retail at qualifying farmers markets for off-premises consumption. Likewise, a licensed microbrewery may apply for a similar endorsement authorizing the sale of bottled beer at retail at qualifying farmers market for off-premises consumption. The wine and beer sold must be of the domestic winery or microbrewery's own production.

A qualifying farmers market may apply to the Liquor and Cannabis Board (LCB) for authorization to allow a domestic winery or microbrewery to sell wine or beer at retail at the farmers market. In the application, the farmers market must include a map of the farmers market showing all booths, stalls, or other designated locations at which an approved domestic winery or microbrewery may sell wine or bottled beer, and the name and contact information for the on-site market managers who may be contacted by the LCB to verify the locations at which wine or bottled beer may be sold.

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.

A qualifying farmers market is defined as 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 Washington State directly to the consumer under conditions that meet the following minimum requirements:

- There must be at least five participating vendors who are farmers selling their own agricultural products.
- The total combined gross annual sales of vendors who are farmers must exceed the total combined gross annual sales of vendors who are processors or resellers. However, if a farmers market does not satisfy this requirement, a farmers market is still considered a qualifying farmers market if the total combined gross annual sales of farmers and processors at the farmers market is \$1 million dollars or more).
- The total combined gross annual sales of vendors who are farmers, processors, or resellers must exceed the total combined gross annual sales of vendors who are not farmers, processors, or resellers.
- The sale of imported items and secondhand items by any vendor is prohibited.
- No vendor may be a franchisee.

Samples offered by domestic wineries or microbreweries at qualifying farmers markets are required to meet the following conditions:

- No more than three wineries or microbreweries combined may offer samples at a qualifying farmers market per day.
- Samples must be 2 ounces or less.
- A winery or microbrewery may provide a maximum of 2 ounces of wine or beer to a customer per day.
- A winery or microbrewery may advertise that it offers samples only at its designated booth, stall, or other designated location at the farmers market.
- Customers must remain at the designated booth, stall, or other designated location while sampling beer or wine.
- Winery and microbrewery licensees and employees who are involved in sampling activities must hold a class 12 or class 13 alcohol server permit.
- A winery or microbrewery must have food available for customers to consume while sampling beer or wine, or must be adjacent to a vendor offering prepared food.

The LCB has authority to prohibit sampling at a farmers market in certain circumstances when the sampling activities have an adverse effect on the reduction of chronic public inebriation in the area. If a domestic winery or microbrewery commits a public safety violation in conjunction with tasting activities, the LCB may suspend the domestic winery or microbrewery's farmers market endorsement and not reissue the endorsement for up to two years from the date of the violation. However, if such a public safety violation occurs, the LCB may offer a monetary penalty if there are mitigating circumstances.

Summary of Bill:

The number of domestic wineries and microbreweries that may offer wine or beer samples at qualifying farmers markets is increased from a combination of three domestic wineries or microbreweries at each qualifying farmers market per day to a combination of six domestic wineries or microbreweries at each qualifying farmers market per day.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.