

# SENATE BILL REPORT

## SB 5279

---

As of February 13, 2017

**Title:** An act relating to allowing sales of growlers of wine.

**Brief Description:** Allowing sales of growlers of wine.

**Sponsors:** Senators Warnick and Keiser.

**Brief History:**

**Committee Activity:** Commerce, Labor & Sports: 2/13/17.

**Brief Summary of Bill**

- Permits licensees currently allowed to sell growlers of cider and beer to also sell growlers of wine, except for fortified wine.

---

### SENATE COMMITTEE ON COMMERCE, LABOR & SPORTS

**Staff:** Richard Rodger (786-7461)

**Background:** The Liquor Control Board (LCB) is the lead agency responsible for the licensing of businesses that sell spirits, beer, and wine. Certain licensees are authorized to sell beer and cider in sanitary containers (growlers) brought to the premises by the purchaser to be filled at the tap at the time of sale.

The following businesses, holding the proper licenses or endorsements, are authorized to sell beer and cider in growlers: (1) domestic breweries and microbreweries; (2) beer and wine retailers; (3) beer and wine specialty shops; (4) restaurants and taverns; and (5) hotels. Except for hotels, the sales are only permitted for off-premises consumption.

Currently, only domestic wineries with retail locations are authorized to make sales of wine in kegs or growlers. The wineries are limited to selling wines of their own production.

A fortified wine is any beverage containing alcohol in an amount more than 14 percent by volume when bottled or packaged by the manufacturer. It does not include wines that are both sealed or capped by cork closure and aged two years or more, or wines that contain

---

*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.*

more than 14 percent alcohol as a result of the natural fermentation and have not been produced with the addition of wine spirits, brandy, or alcohol.

Licensees must comply with the relevant federal laws including registration or permits, recordkeeping, and payment of associated taxes. Federal labeling and health warning provisions do not apply for growlers filled in the presence of the consumer.

**Summary of Bill:** Any licensee permitted to sell beer or cider in growlers is also permitted to sell wine in growlers. The licensees may not sell fortified wine in growlers.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony:** PRO: This bill gives our wineries the same rights as given our beer and cider producers to sell their products in growlers. This is an environmental bill as it will save glass. The bill will help supplement the income of our small wineries by getting more customers to buy our wine in growlers and then try our more expensive wines. The opponents say the bill will hurt Washington wineries, but this was the same argument that was used against the sale of wine-in-a-box. The boxed wines increased overall consumption of all wines. France & Italy allow for the filling of wine growlers. This is really about giving the consumers more choices. Our employees are trained in food service and would not create a health hazard. The peanut butter jar argument is silly. The bill will also help other industries such as those that make growlers.

CON: The bill allows for the filling of any sanitary container which could be a peanut butter jar or Tupperware. Our Washington wineries set the premium standard for the wine industry. This bill takes us to the lowest standards and will damage our industry's reputation. Large industrial wine producers from out of the state and from Africa and Australia will dominate this market with lower quality wines. The high volumes of lower quality wine will put downward pressure on our price points and puts our growth at risk. We set a high bar for quality and the bill will undermine our image. The multinational corporations will flood our state with a "sea of wine."

**Persons Testifying:** PRO: Senator Judy Warnick, Prime Sponsor; Paul Beveridge, Family Wineries of Washington State; Julia Gorton, Washington Hospitality Association.

CON: Rowland Thompson, The Wine Institute; Josh McDonald, WA Wine Institute; Gaye McNutt, Cadence Winery; Ryan Pennington, Chateau Ste. Michelle.

**Persons Signed In To Testify But Not Testifying:** No one.