

SENATE BILL REPORT

SB 6212

As Reported by Senate Committee On:
Labor & Commerce, January 31, 2018

Title: An act relating to allowing the legislative gift center to sell products produced in Washington by craft distillers and microbreweries.

Brief Description: Allowing the legislative gift center to sell products produced in Washington by craft distillers and microbreweries.

Sponsors: Senators Hasegawa, Chase, Conway, Rivers, Brown, Keiser, Cleveland, Fortunato, Zeiger, Mullet, Hunt, Kuderer and King.

Brief History:

Committee Activity: Labor & Commerce: 1/29/18, 1/31/18 [DP].

Brief Summary of Bill

- Authorizes the Legislative Gift Center (gift center) to sell products made by Washington craft distillers and microbreweries.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Hasegawa, Vice Chair; Baumgartner, Ranking Member; Braun, Conway, King, Kuderer, Saldaña and Wilson.

Staff: Richard Rodger (786-7461)

Background: The gift center was created in 2007 and is authorized to sell Washington products, souvenirs, and items bearing the state seal. The Chief Clerk of the House of Representatives and the Secretary of the Senate are charged with governance of the gift center. Profits from gift center sales are deposited into: the Legislative Oral History Account; the Washington State Legacy Project, State Library, and Archives Account; and the Capitol Furnishings Preservation Committee Account.

The gift center may sell wine produced in Washington by a licensed domestic winery for off-premises consumption. Wine may be sold only to individuals 21 years of age or older for

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personal use, and must be purchased from a licensed wine distributor or manufacturer. The gift center must collect and remit applicable taxes to the Department of Revenue. To select wines for sale, the gift center is directed to consult with the Washington Wine Commission, which must consider award-winning wines in assisting the gift center.

Summary of Bill: The gift center may sell spirits produced in Washington by a licensed craft distillery and beer produced in Washington by a licensed microbrewery. The craft spirits and microbrews may only be sold to individuals 21 years of age or older and must be sold for personal use and not for resale. The microbrews must be in sealed bottles or cans. When selecting the craft spirits and microbrews to be sold, the gift center must consult with interest groups representing craft distilleries and the Washington Beer Commission. Consideration must be given to award winning craft spirits and microbrews.

Appropriation: None.

Fiscal Note: Requested on January 10, 2018.

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 is the epitome of a good bill; we've invested a lot of money supporting the Washington wine industry, including getting award-winning wines in the Legislative Gift Center and this is the next logical step. We are happy to support the efforts to sell fine beers, along with the state's award-winning wines. We produce 70 percent of the world's hops in Yakima and this would be a good place to showcase our fresh beers. The distillery industry is relatively new to Washington, having just started ten years ago. To qualify as a Washington craft distiller, we must use at least 50 percent of Washington products to produce our spirits. There are now 88 distillers in Washington State and our distillers would be willing to sell their products here. This would be a great opportunity for our small distilleries.

CON: Our objection to this bill is related not to its specific provisions, but to the cumulative effect of all the alcohol related bills that have come before this bill and the ones that will come afterwards. These bills continue to expand the opportunity to consume alcohol and create mixed messages for our youth.

Persons Testifying: PRO: Senator Bob Hasegawa, Prime Sponsor; Jim Hedrick, Washington Distillers Guild; Annie McGrath, Washington Brewers Guild.

CON: Seth Dawson, Washington Association for Substance Abuse Prevention.

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