

YELLOW PAPER  
PSSB 5650  
HARPER

1 AN ACT Relating to allowing craft distilleries to sell their own  
2 spirits at qualifying farmers markets; and amending RCW 66.24.145.

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

4 **Sec. 1.** RCW 66.24.145 and 2012 c 2 s 205 (Initiative Measure No.  
5 1183) are each amended to read as follows:

6 (1) Any craft distillery may sell spirits of its own production for  
7 consumption off the premises, up to two liters per person per day. A  
8 craft distillery selling spirits under this subsection must comply with  
9 the applicable laws and rules relating to retailers.

10 (2) Any craft distillery may contract distill spirits for, and sell  
11 contract distilled spirits to, holders of distillers' or manufacturers'  
12 licenses, including licenses issued under RCW 66.24.520, or for export.

13 (3) Any craft distillery licensed under this section may provide,  
14 free of charge, one-half ounce or less samples of spirits of its own  
15 production to persons on the premises of the distillery. The maximum  
16 total per person per day is two ounces. Every person who participates  
17 in any manner in the service of samples must obtain a class 12 alcohol  
18 server permit.

1 (4) The board must adopt rules to implement the alcohol server  
2 permit requirement and may adopt additional rules to implement this  
3 section.

4 (5) Distilling is an agricultural practice.

5 (6)(a) A craft distillery licensed under RCW 66.24.140(1) may apply  
6 to the board for an endorsement to sell bottled spirits of its own  
7 production at retail for off-premises consumption at a qualifying  
8 farmers market. The annual fee for this endorsement is seventy-five  
9 dollars.

10 (b) For each month during which a craft distillery will sell  
11 spirits at a qualifying farmers market, the craft distillery must  
12 provide the board or its designee a list of the dates, times, and  
13 locations at which bottled spirits may be offered for sale. This list  
14 must be received by the board before the craft distillery may offer  
15 spirits for sale at a qualifying farmers market.

16 (c) The spirits sold at qualifying farmers markets must be produced  
17 in Washington.

18 (d) Each approved location in a qualifying farmers market is deemed  
19 to be part of the craft distillery license for the purpose of this  
20 title. The approved locations under an endorsement granted under this  
21 subsection (6) do not constitute the tasting or sampling privilege of  
22 a craft distillery. The craft distillery may not store spirits at a  
23 farmers market beyond the hours that the craft distillery offers  
24 bottled spirits for sale. The craft distillery may not act as a  
25 distributor from a farmers market location.

26 (e) Before a craft distillery may sell bottled spirits at a  
27 qualifying farmers market, the farmers market must apply to the board  
28 for authorization for any craft distillery with an endorsement approved  
29 under this subsection (6) to sell bottled spirits at retail at the  
30 farmers market. This application shall include, at a minimum: (i) A  
31 map of the farmers market showing all booths, stalls, or other  
32 designated locations at which an approved craft distillery may sell  
33 bottled spirits; and (ii) the name and contact information for the on-  
34 site market managers who may be contacted by the board or its designee  
35 to verify the locations at which bottled spirits may be sold. Before  
36 authorizing a qualifying farmers market to allow an approved craft  
37 distillery to sell bottled spirits at retail at its farmers market  
38 location, the board shall notify the persons or entities of the

1 application for authorization pursuant to RCW 66.24.010 (8) and (9).  
2 An authorization granted under this subsection (6)(e) may be withdrawn  
3 by the board for any violation of this title or any rules adopted under  
4 this title.

5 (f) The board may adopt rules establishing the application and  
6 approval process under this section and any additional rules necessary  
7 to implement this section.

8 (g) For the purposes of this subsection (6):

9 (i) "Qualifying farmers market" means an entity that sponsors a  
10 regular assembly of vendors at a defined location for the purpose of  
11 promoting the sale of agricultural products grown or produced in this  
12 state directly to the consumer under conditions that meet the following  
13 minimum requirements:

14 (A) There are at least five participating vendors who are farmers  
15 selling their own agricultural products;

16 (B) The total combined gross annual sales of vendors who are  
17 farmers exceeds the total combined gross annual sales of vendors who  
18 are processors or resellers;

19 (C) The total combined gross annual sales of vendors who are  
20 farmers, processors, or resellers exceeds the total combined gross  
21 annual sales of vendors who are not farmers, processors, or resellers;

22 (D) The sale of imported items and secondhand items by any vendor  
23 is prohibited; and

24 (E) No vendor is a franchisee.

25 (ii) "Farmer" means a natural person who sells, with or without  
26 processing, agricultural products that he or she raises on land he or  
27 she owns or leases in this state or in another state's county that  
28 borders this state.

29 (iii) "Processor" means a natural person who sells processed food  
30 that he or she has personally prepared on land he or she owns or leases  
31 in this state or in another state's county that borders this state.

32 (iv) "Reseller" means a natural person who buys agricultural  
33 products from a farmer and resells the products directly to the  
34 consumer.

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