

# HOUSE BILL REPORT

## SB 5604

---

---

### As Passed House - Amended:

April 12, 2001

**Title:** An act relating to allowing the liquor control board to authorize controlled purchase programs.

**Brief Description:** Allowing the liquor control board to authorize controlled purchase programs.

**Sponsors:** By Senators Spanel and Gardner.

### Brief History:

#### Committee Activity:

Commerce & Labor: 3/28/01, 3/30/01 [DPA].

#### Floor Activity:

Passed House - Amended: 4/12/01, 96-0.

### Brief Summary of Bill (As Amended by House)

- The Liquor Control Board is authorized to permit licensees to conduct private self-compliance checks using assistance from persons between the ages of 18 and 21 years old.

---

## HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair; Hunt, Kenney, Lisk and McMorris.

**Staff:** Sydney Forrester (786-7120).

### Background:

The Liquor Control Board conducts controlled purchases of alcohol from licensed retailers as part of its regulatory compliance program. Controlled purchases are designed, in part, to test whether retail clerks are selling alcohol to persons under the age

of 21 years old. As an enforcement agency, the board may use the assistance of persons between the age of 18 and 21 years old in its controlled purchase program.

Many liquor licensees voluntarily have developed policies requiring their retail clerks to request identification if a purchaser of alcohol appears to be under 30 years old. Some retailers also conduct self-compliance checks using controlled purchases. However, retailers may not use the assistance of persons under 21 years of age in private controlled purchase programs.

Retailers have sole discretion as to whether and when employees are notified of self-compliance checks and whether and how employees are disciplined for violations of company policies.

---

**Summary of Amended Bill:**

The Liquor Control Board will adopt rules authorizing private controlled purchases by liquor licensees using the assistance of persons between the ages of 18 and 21 years old. An employer participating in authorized controlled purchases must provide employees written notice of the controlled purchase program, including the consequences of an employee's failure to comply with company policy on the sale of alcohol. An employer may not terminate an employee solely for a first-time failure to comply with company policy during an authorized controlled purchase. Under a controlled purchase program authorized by the board, liquor licensees, persons selling alcohol to persons between 18 and 21 years old, and persons between 18 and 21 purchasing or attempting to purchase alcohol are immune from criminal or administrative prosecutions.

---

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** (Original bill) Certain employers have energetic programs to train employees for compliance with laws. Being able to use 18 to 21 year olds in self-checks for compliance would help these programs. Retailers, the Liquor Control Board, and the union plan to cooperate in training employees. Local unions see some positive aspects so long as the Liquor Control Board sets the rules for the private checks. It will be important to avoid entrapment. This approach could be very beneficial to training efforts if more checks were made. Granting immunity from prosecution for violations found during the self-checks is important. The Washington Restaurant Association supports the bill so long as these would be only employer-employee checks. The private programs

authorized would be consistent with the Liquor Control Board's compliance and regulatory checks. The board depends on licensees and wants to support efforts toward self-checks for compliance.

**Testimony Against:** None.

**Testified:** Jan Gee, Washington Food Industry; T. K. Bentler, Washington Neighborhood Stores Association; Joe Daniels, United Food & Commercial Workers District Council 17; Larry Mount, Brown and Cole; Rick Phillips, Liquor Control Board; and Michael Transue, Washington Restaurant Association.