Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Labor Committee

ESB 5751

Brief Description: Creating a wine and beer tasting pilot project in grocery stores.

Sponsors: Senators Kohl-Welles, Hewitt and Rockefeller.

Brief Summary of Engrossed Bill

• Establishes a pilot project for grocery store tastings of beer and wine.

Hearing Date:

Staff: Joan Elgee (786-7106).

Background:

A grocery store license issued by the Liquor Control Board (Board) allows the sale of beer and/or wine for off-premises consumption. A beer and/or wine specialty shop license also allows the sale of beer and/or wine for off-premises consumption. Speciality shops may provide up to two ounce samples for purposes of sales promotion.

Current law allows other giving away of liquor by licensees in limited circumstances. A brewery, distributor, winery, distiller, certificate of approval holder, or importer may furnish samples of beer, wine, or spirits to a licensee to negotiate sales. Except for importers, these licensees are also allowed to provide samples of beer, wine, or spirits to licensees and their employees to instruct them on the history, nature, values, and characteristics of the beer, wine, or spirits. A winery, brewery, certificate of approval holder, or distributor may also furnish wine and beer to certain nonprofit groups. Finally, a brewery or winery may serve beer or wine without charge on its premises.

Summary of Bill:

The Board is directed to establish a pilot project for beer and wine tasting in grocery stores. The pilot project is for 30 stores with at least six tastings (but no more than once a month) at each location between October 1, 2008 and September 30, 2009.

House Bill Analysis - 1 - ESB 5751

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.

The pilot project locations must be equally allocated between independently-owned and chain grocery stores. To be eligible, the primary activity of the store must be the retail sale of grocery products for off-premises consumption and the store must have a fully enclosed retail area of at least 9,000 square feet.

A number of conditions for sampling must be met. Samples must be two ounces or less, up to four ounces, and no more than one sample of any single brand may be provided to a customer during any one visit. The store must have food available. The service area must be within the store's fully-enclosed retail area and must be of a size and design so that the licensee can observe and control people in the area to ensure that those under 21 and obviously intoxicated persons cannot consume alcohol. Customers must remain in the service area while consuming alcohol. The store may only advertise the tasting event within the store. Finally, employees of both grocery stores and speciality shops who are involved in tasting activities must complete a Board-approved limited alcohol server training program that addresses only those subjects reasonably related to the tasting activities.

The cost of sampling may not be borne by any liquor manufacturer, importer, or distributor. The Board must report to the Legislature by December 1, 2009, and the provisions also expire on December 1, 2009.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

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