

SENATE BILL REPORT

SB 6475

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, February 2, 2012

Title: An act relating to the beer and wine tasting endorsement for grocery stores.

Brief Description: Changing the criteria for the beer and wine tasting endorsement for grocery stores.

Sponsors: Senators Hobbs, Kohl-Welles, Honeyford and Holmquist Newbry.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 1/31/12, 2/02/12 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 6475 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Conway, Vice Chair; Holmquist Newbry, Ranking Minority Member; King, Assistant Ranking Minority Member; Hewitt, Keiser and Kline.

Staff: Stephanie Christensen (786-7405)

Background: A grocery store licensed to sell beer and/or wine may obtain an endorsement to offer beer and wine tasting. A store seeking to obtain the endorsement must meet the following criteria:

- at least 50 percent of the gross sales of the store must be from retail sales of grocery products for off-premise consumption, or the store must be a membership organization;
- the store must be at least 9,000 square feet; and
- the store cannot have more than one public safety violation within the past two years.

The licensee must be able to observe and control individuals in the tasting service area, make food available for participants, limit sample size to two ounces, and provide no more than four ounces per customer per visit. Store employees serving beer and/or wine at tasting events must hold an alcohol servers permit, and sampling costs must be borne by the store.

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.

A tasting endorsement may be suspended and not reissued for up to two years if the store is found to have committed a public safety violation in conjunction with tasting activities. A monetary penalty may be assessed by the Liquor Control Board in lieu of suspension.

The fee for the endorsement is \$200 per year.

Summary of Bill (Recommended Substitute): To obtain an endorsement to offer beer and wine tasting, at least 50 percent of the gross sales of the store must be from retail sales of grocery products for off-premise consumption, or the store must be a membership organization. The board may adjust the gross sales percentage at the discretion of the board.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE & CONSUMER PROTECTION COMMITTEE (Recommended Substitute): Changes the gross percentage back to 50 percent, but allows the board to adjust the gross sales percentage at the discretion of the board.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: World Market sells a lot of wine, but cannot offer wine tasting because it does not meet the 50 percent grocery sales requirement. Other stores can offer wine tasting, and it is important for World Market to be on an even playing field with those stores.

CON: This legislation has normalizing effects on our youth, and dilutes the message against drinking and driving.

OTHER: The industry probably has a better sense as to who this bill would pick up. A grocery store is one of the few business locations where beer and wine are sold for off-premise consumption. We don't have the current statistics as to how many stores would be picked up by the requirement change from 50 percent to 35 percent.

Persons Testifying: PRO: Mark Johnson, WA Retail Assn.; Sharon O'Hara, Cost Plus World Markets.

CON: Seth Dawson, WA Assn. for Substance Abuse Prevention.

OTHER: Alan Rathbun, WA Liquor Control Board.