

SENATE BILL REPORT

SB 6477

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

Title: An act relating to spirits sampling in former contract liquor stores.

Brief Description: Concerning spirits sampling in former contract liquor stores.

Sponsors: Senators Conway, Holmquist Newbry and Kohl-Welles.

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. 6477 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: With the passage of Initiative 1183, the Washington State Liquor Control Board (WSLCB) will cease state liquor distribution operations by June 1, 2012. Contract liquor stores, which are operated by small business owners, may continue to sell spirits, but state-run liquor stores will be closed.

The Seattle Distribution Center, which supplies state and contract liquor stores with spirits, will be sold. The private sector will be allowed to sell and distribute spirits with proper liquor licenses.

Summary of Bill (Recommended Substitute): WSLCB must allow spirits sampling in eligible former contract liquor stores for the purpose of promoting the sponsor's products.

WSLCB determines which former contract liquor stores are eligible, taking into account motor vehicle accident data near the store, and the proximity of the store to places of worship, schools, and public institutions. No store may hold more than one spirits sampling per week, and the product provided for sampling must be available for sale at the store. Only

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sponsors who have completed a mandatory alcohol server training program may serve samples of one-quarter ounce or less to persons 21 or over in an area off limits to persons under 21. Customers are limited to one ounce of samples per day, and must consume samples on store premises.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE & CONSUMER PROTECTION COMMITTEE (Recommended Substitute): The original bill contained references to Initiative 1183. The substitute removed references to Initiative 1183.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

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: This will help former contract liquor stores compete against bigger retailers by allowing them to develop a niche market. This is a win-win for both consumers and producers.

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

OTHER: Would support an amendment that would correct tighthouse violations and be consistent with regulations for beer and wine tasting at grocery stores.

Persons Testifying: PRO: Senator Conway, prime sponsor; Senator Holmquist Newbry; Michael Transue, Contract Liquor Store Managers Advisory Committee; Dave Ducharme, Distilled Spirits Council of U.S.; Ally Magnano; Distillery Assn. Representatives of WA.

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

OTHER: Rick Garza, WSLCB.