

SENATE BILL REPORT

SHB 2371

As Reported by Senate Committee On:
Commerce & Labor, February 28, 2014

Title: An act relating to the sale of beer by grocery store licensees.

Brief Description: Concerning the sale of beer by grocery store licensees.

Sponsors: House Committee on Government Accountability & Oversight (originally sponsored by Representatives Vick, Kirby, Rodne, Blake and Hurst).

Brief History: Passed House: 2/17/14, 77-20.

Committee Activity: Commerce & Labor: 2/28/14 [DPA, w/oRec].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended.

Signed by Senators Braun, Vice Chair; Conway, Ranking Member; Hewitt, King and Kohl-Welles.

Minority Report: That it be referred without recommendation.

Signed by Senators Holmquist Newbry, Chair; Hasegawa.

Staff: Edith Rice (786-7444)

Background: A grocery store wine and beer license permits a grocery store to sell wine and beer in their original containers for off-premises consumption. Licensees must maintain an inventory of food products worth a minimum of \$3,000. This does not include pop, beer, or wine.

Certain liquor licensees are eligible to obtain an endorsement from the Liquor Control Board (LCB) that allows them to sell beer in growlers. A growler is a container brought to the premises by a purchaser or provided by the licensee. It is filled at the tap at the time of purchase. Licensees eligible to obtain this endorsement include the following: domestic breweries; microbreweries; beer and wine retailers and specialty shops; spirits, beer, and wine restaurants; and hotels.

Summary of Bill (Recommended Amendments): If approved by LCB, a grocery store licensee may receive an endorsement to allow the sale of beer from a microbrewery, in a

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growler. The container must be filled at the tap at the time of sale by an employee of the licensee holding a class 12 Mandatory Alcohol Server Training permit.

LCB is authorized to adopt rules to implement the grocery store license.

EFFECT OF CHANGES MADE BY COMMERCE & LABOR COMMITTEE (Recommended Amendments): Language requiring that only beer produced by microbreweries in Alaska, Washington, Idaho, Oregon, and Montana can be sold in growlers is removed. The grocery store licensee may receive an endorsement to permit the sale of beer produced by a microbrewery, in a growler.

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 Substitute House Bill: PRO: This is something our members have wanted to be able to do; we support providing this product. We will control access.

CON: There are constitutional issues with the original bill; we see problems with moving it forward. It is important to take into account the cumulative effect of all of these incremental bills. Access to liquor is increasing and we should consider the overall effect.

Persons Testifying: PRO: Holly Chisa, NW Grocery Assn.; Amy Brackenbury, WA Food Industry Assn.

CON: Jeff Gombosky, Anheuser-Busch Companies; Seth Dawson, WA Assn. for Substance Abuse & Violence Prevention.