

SENATE BILL REPORT

SB 5396

As Reported by Senate Committee On:
Commerce & Labor, February 20, 2013

Title: An act relating to limited on-premise spirits sampling.

Brief Description: Concerning limited on-premise spirits sampling.

Sponsors: Senators Hewitt, Holmquist Newbry, Conway, Kohl-Welles, Hatfield, Hobbs, Schoesler, Delvin and Kline.

Brief History:

Committee Activity: Commerce & Labor: 2/11/13, 2/20/13 [DPS].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: That Substitute Senate Bill No. 5396 be substituted therefor, and the substitute bill do pass.

Signed by Senators Holmquist Newbry, Chair; Braun, Vice Chair; Conway, Ranking Member; Hewitt, Keiser and King.

Staff: Edith Rice (786-7444)

Background: Sampling of spirits, beer, and wine by retail customers is permitted in limited circumstances. Beer and wine specialty shops may serve samples of two ounces or less to a customer. Certain grocery stores may conduct tastings with an endorsement issued by the Liquor Control Board (LCB). Breweries and wineries may also serve samples. A craft distillery may provide one-half ounce or less samples of spirits, up to a total of two ounces per day to a customer, on its premises. With the enactment of ESHB 1202 in 2011 the LCB was directed to establish a pilot project for spirits sampling in state and contract liquor stores. However, in December 2011 liquor sales became privatized and the LCB began the process of closing all state-operated liquor stores.

Responsible vendor program participants must at a minimum: provide ongoing training to employees; accept only certain forms of identification for alcohol sales; adopt policies on alcohol sales and checking identification, post specific signs in the business, and keep records verifying compliance with the program's requirements. Licensees who maintain all of the program's requirements are not subject to doubling of the penalties for a single violation in any period of 12 calendar months. A class 12 alcohol server permit for managers

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or bartenders requires completion of a course certified by the LCB. Curriculum includes subjects such as: the physiological effects of alcohol, liability and legal information, driving while intoxicated, effective intervention, methods for checking proper identification, and Washington laws.

Summary of Bill (Recommended Substitute): Spirits retail license holders who participate in the responsible vendor program may provide samples of spirits. Servers must hold a class 12 alcohol server permit. Samples may be one-half ounce or less. No one may be served more than a total of one and one half ounces of spirits. Sampling must be conducted in accordance with rules established for sampling activities in beer and wine specialty shops and grocery stores.

EFFECT OF CHANGES MADE BY COMMERCE & LABOR COMMITTEE (Recommended Substitute): The requirement that sampling be conducted in accordance with rules established for sampling activities in beer and wine specialty shops and grocery stores, is added.

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: This is an effective marketing tool for retailers. This expands the options where tasting can occur. There were no problems with the pilot program.

CON: More funds are needed for compliance checks. The sampling amount is too high, it should be lower.

Persons Testifying: PRO: David Ducharme, Distilled Spirits Council of the United States, Cindy Zehnder, Total Wine and More; Charles Brown, Diageo.

CON: Mary Ellen de la Pena, WA Assn. for Substance Abuse and Violence Protection.