

#### Bill Title: Beer and Wine Tasting in Grocery Stores Bill Number: SSB 6329 Effective Date: June 10, 2010 Creates a New Section in RCW 66.24 Amends: RCW 66.20.310, RCW 66.24. 300 and RCW 66.28.310

## Background

In 2008, the Legislature directed the Liquor Control Board (LCB) to establish a pilot program to allow beer and wine tasting in grocery stores. The pilot program ended September 30, 2009. The LCB issued a report on the pilot in December 2009.

#### Summary

This bill creates a beer and wine tasting endorsement that grocery stores may apply for in order to offer beer and wine tastings. The annual fee for the endorsement is \$200.

The grocery store licensee must meet the following criteria:

- The licensee must have retail sales of grocery products for off-premises consumption that are more than 50 percent of the licensee's gross sales, or the licensee is a membership organization that requires members to be at least 18 years of age;
- The grocery stores must operate a fully enclosed retail area encompassing at least 9,000 square feet. The board may issue an endorsement to a licensee with a retail area encompassing less than 9,000 square feet under two conditions:
  - 1. the board determines that no licensee in the community the licensee serves meets the square footage requirement and the licensee meets operational requirements established by the board by rule; and
  - 2. The licensee has not had more than one public safety violation within the past two years.

#### **Tastings Conditions**

Tastings must be conducted under the following conditions:

- Samples must be 2 ounces or less, up to a total of 4 ounces per customer during any one visit to the premises;
- The licensee must have food available for the tasting participants;
- Customers must remain in the service area while consuming samples; and
- The service area and facilities must be located within the licensee's fully enclosed retail area. The retail area must be of a size and design so that the licensee can observe and control persons in the area to ensure that persons under 21 years of age and apparently intoxicated persons do not possess or consume alcohol.

# **Additional Requirements**

The following requirements also apply:

- Employees of licensees whose duties include serving during tasting activities must hold a class 12 alcohol server permit;
- Wineries and breweries may provide personal services such as pouring at a grocery store holding a beer and wine tasting endorsement. The cost of sampling may not be borne, directly or indirectly, by the brewery or winery; and
- A licensee may advertise tasting events only within the store, on a store website, in store newsletters and flyers, and via e-mail and mail to customers who have requested notice of events.

If a licensee is found to have committed a public safety violation in conjunction with tasting activities, the board may suspend the licensee's beer and wine tasting endorsement and not re-issue the endorsement for up to two years from the date of the violation.

The board may revoke an endorsement granted to a licensee that is located within the boundaries of an alcohol impact area if the board finds that the tasting activities are having an adverse effect on the reduction of chronic public inebriation in the area.

## Implementation

Grocery stores that meet the criteria that want to offer beer and wine tastings, must:

- Complete and submit an Application for Added Endorsement (LIQ 756-50), to the Liquor Control Board, License Division. Please include the \$200 fee with the application.
- Licensing and Regulation Division staff will send out a local authority notice and public posting notice. The local authority has 20 days to respond and the public posting notice is posted for 14 days.
- If after the 20 days have passed for local authority comment no local objections have been submitted and the 14 day posting period has passed, the endorsement will be approved.
- Licensing and Regulation Division staff will send a letter to the licensee approving the "Beer/Wine Tasting" endorsement. The licensee should receive a new Master License from Master License Service within 14 days.

## **Contact Information**

For specific questions, please contact Laws and Rules Coordinator Karen McCall at <u>kjm@liq.wa.gov</u> or 360-664-1631.