

HOUSE BILL REPORT

SB 5604

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to allowing the liquor control board to authorize controlled purchase programs.

Brief Description: Allowing the liquor control board to authorize controlled purchase programs.

Sponsors: By Senators Spanel and Gardner.

Brief History:

Committee Activity:

Commerce & Labor: 3/28/01, 3/30/01 [DPA].

Brief Summary of Bill (As Amended by House Committee)

- The Liquor Control Board is authorized to permit licensees to conduct private self-compliance checks using assistance from persons between the ages of 18 and 21 years old.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair; Hunt, Kenney, Lisk and McMorris.

Staff: Sydney Forrester (786-7120).

Background:

The Liquor Control Board conducts controlled purchases of alcohol from licensed retailers as part of its regulatory compliance program. Controlled purchases are designed, in part, to test whether retail clerks are selling alcohol to persons under the age of 21 years old. As an enforcement agency, the board may use the assistance of persons between the age of 18 and 21 years old in its controlled purchase program.

Many liquor licensees voluntarily have developed policies requiring their retail clerks to request identification if a purchaser of alcohol appears to be under 30 years old. Some retailers also conduct self-compliance checks using controlled purchases. However, retailers may not use the assistance of persons under 21 years of age in private controlled purchase programs.

Retailers have sole discretion as to whether and when employees are notified of self-compliance checks and whether and how employees are disciplined for violations of company policies.

Summary of Amended Bill:

The Liquor Control Board will adopt rules authorizing private controlled purchases by liquor licensees using the assistance of persons between the ages of 18 and 21 years old. A licensee may not contract with a third party to conduct controlled purchases. An employer participating in authorized self-compliance checks using persons 18 to 21 years old must coordinate and conduct controlled purchases using employees or volunteers only, and must provide employees written notice of its controlled purchase program. Under a controlled purchase program authorized by the board, liquor licensees, persons selling alcohol to persons between 18 and 21 years old, and persons between 18 and 21 attempting to purchase alcohol are immune from criminal or administrative prosecution.

Amended Bill Compared to Bill:

Private controlled purchases using assistance from persons 18 to 21 years old may be coordinated and conducted by employers only, and employees must be notified of controlled purchase programs.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: (Original bill) Certain employers have energetic programs to train employees for compliance with laws. Being able to use 18 to 21 year olds in self-checks for compliance would help these programs. Retailers, the Liquor Control Board, and the union plan to cooperate in training employees. Local unions see some positive aspects so long as the Liquor Control Board sets the rules for the private checks. It will be important to avoid entrapment. This approach could be very beneficial to training efforts if more checks were made. Granting immunity from prosecution for violations found

during the self-checks is important. The Washington Restaurant Association supports the bill so long as these would be only employer-employee checks. The private programs authorized would be consistent with the Liquor Control Board's compliance and regulatory checks. The board depends on licensees and wants to support efforts toward self-checks for compliance.

Testimony Against: None.

Testified: Jan Gee, Washington Food Industry; T. K. Bentler, Washington Neighborhood Stores Association; Joe Daniels, United Food & Commercial Workers District Council 17; Larry Mount, Brown and Cole; Rick Phillips, Liquor Control Board; and Michael Transue, Washington Restaurant Association.