

SENATE BILL REPORT

SB 5164

As Passed Senate, March 1, 2017

Title: An act relating to authorizing grocery store license endorsements allowing beer and wine tastings at certain grocery stores that specialize in the sale of meat, poultry, seafood, or cheese.

Brief Description: Authorizing grocery store license endorsements allowing beer and wine tastings at certain grocery stores that specialize in the sale of meat, poultry, seafood, or cheese.

Sponsors: Senators Keiser, Fain, Rivers and Rolfes.

Brief History:

Committee Activity: Commerce, Labor & Sports: 1/25/17 [DP].

Floor Activity:

Passed Senate: 3/01/17, 41-8.

Brief Summary of Bill

- Authorizes tasting beer or wine at smaller grocery stores—less than 10,000 square feet—that sell fresh meat, fresh poultry, seafood, or cheese.
- Limits these smaller stores to those specialty stores with at least 50 percent of their revenue from the sale of the listed products.

SENATE COMMITTEE ON COMMERCE, LABOR & SPORTS

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; Keiser, Ranking Minority Member; King, Rossi, Saldaña and Wilson.

Staff: Richard Rodger (786-7461)

Background: The Liquor and Cannabis Board (LCB) is authorized to issue alcohol licenses for the sale of alcoholic beverages at certain grocery stores. A grocery store owner may apply for a license endorsement to offer beer and wine tasting if: (1) the licensee operates a fully enclosed retail area encompassing at least 10,000 square feet; or (2) no licensee in the community meets the square footage requirement and the licensee meets the

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other operational requirements; and (3) the licensee has not had more than one public safety violation within the past two years.

The beer and wine tasting event at an authorized grocery store is subject to the following conditions: (1) each sample must be two ounces or less, up to a total of four ounces, per customer during any one visit; (2) only one sample of the same product may be provided to a customer during a visit; (3) food must be available for the tasting participants; (4) customers must remain in the service area while consuming samples; and (5) the service area and facilities must be located within the enclosed retail area and the area be in view of the licensee.

Employees of licensees whose duties include serving during tasting activities must hold a Class 12 alcohol server permit.

The annual fee for the endorsement is \$200. The LCB must review the fee annually to ensure it sufficiently defrays the LCB's costs.

Summary of Bill: The LCB is authorized to issue an endorsement for tasting beer or wine to a grocery store licensee, with a retail area of less than 10,000 square feet, if the store derives at least 50 percent of its revenue from the sale of any combination of fresh meat, fresh poultry, seafood, or cheese. The term fresh has the same meaning as provided by the United States Food and Drug Administration.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: Under our current laws, a butcher who is licensed to sell beer and wine is not allowed to conduct beer and wine tastings. This creates a unfair competitive advantage as small wine shops can get a tasting license. We already meet all the conditions necessary to taste beer and wine, but our shop isn't 10,000 square feet. We don't really have many kids come into our stores so that's not an issue for us.

OTHER: This sounds like reasonable solution for a niche event located in a small market.

Persons Testifying: PRO: Senator Karen Keiser, Prime Sponsor; Jeff Green, B & E Meats and Seafood, Owner.

OTHER: James Paribello, WSLCB.

Persons Signed In To Testify But Not Testifying: No one.