SENATE BILL 6329

State of Washington 61st Legislature 2010 Regular Session

By Senators Kohl-Welles, King, Franklin, Hewitt, Keiser, Kline, and Delvin

Read first time 01/12/10. Referred to Committee on Labor, Commerce & Consumer Protection.

1 AN ACT Relating to creating a beer and wine tasting endorsement to

the grocery store liquor license; reenacting and amending RCW 66.20.310

and 66.20.300; and adding a new section to chapter 66.24 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 66.24 RCW 6 to read as follows:

- (1) A grocery store licensed under RCW 66.24.360 may apply for an endorsement to offer beer and wine tasting under this section.
- 9 (2) To be issued an endorsement, a licensee must meet the following 10 criteria:
 - (a) The licensee has retail sales of grocery products for offpremises consumption that are more than fifty percent of the licensee's gross sales or the licensee is a membership organization that requires members to be at least eighteen years of age;
 - (b) The licensee operates a fully enclosed retail area encompassing at least nine thousand square feet, except that the board may issue an endorsement to a licensee with a retail area encompassing less than nine thousand square feet if the board determines that no licensee in

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1 the community the licensee serves meets the square footage requirement 2 and the licensee meets operational requirements established by the 3 board by rule; and

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- (c) The licensee has not had more than one public safety violation within the past two years.
 - (3) A tasting must be conducted under the following conditions:
- (a) Each sample must be two ounces or less, up to a total of four ounces, per customer during any one visit to the premises;
- (b) No more than one sample of the same product offering of beer or 10 wine may be provided to a customer during any one visit to the premises; 11
- (c) The licensee must have food available for the tasting 12 13 participants;
 - (d) Customers must remain in the service area while consuming samples; and
 - (e) The service area and facilities must be located within the licensee's fully enclosed retail area and must be of a size and design such that the licensee can observe and control persons in the area to ensure that persons under twenty-one years of age and apparently intoxicated persons cannot possess or consume alcohol.
 - (4) Employees of licensees whose duties include serving during tasting activities under this section must hold a class 12 alcohol server permit.
 - (5) Tasting activities under this section are subject to RCW 66.28.305 and 66.28.040 and the cost of sampling may not be borne, directly or indirectly, by any liquor manufacturer, importer, or distributor.
 - (6) A licensee may advertise a tasting event only within the store, on a store web site, in store newsletters and flyers, and via e-mail and mail to customers who have requested notice of events. Advertising under this subsection may not be targeted to or appeal principally to youth.
- (7)(a) If a licensee is found to have committed a public safety 33 violation in conjunction with tasting activities, the board may suspend 34 35 the licensee's tasting endorsement and not reissue the endorsement for 36 up to two years from the date of the violation. If mitigating 37 circumstances exist, the board may offer a monetary penalty in lieu of 38 suspension during a settlement conference.

SB 6329 p. 2 (b) The board may revoke an endorsement granted to a licensee that is located within the boundaries of an alcohol impact area recognized by resolution of the board if the board finds that the tasting activities by the licensee are having an adverse effect on the reduction of chronic public inebriation in the area.

- (c) RCW 66.08.150 applies to the suspension or revocation of an endorsement.
- (8) The board may establish additional requirements under this section to assure that persons under twenty-one years of age and apparently intoxicated persons cannot possess or consume alcohol.
- (9) The annual fee for the endorsement is two hundred dollars. The board shall review the fee annually and may increase the fee by rule to a level sufficient to defray the cost of administration and enforcement of the endorsement, except that the board may not increase the fee by more than ten percent annually.
 - (10) The board must adopt rules to implement this section.
- Sec. 2. RCW 66.20.310 and 2009 c 271 s 5 and 2009 c 187 s 4 are each reenacted and amended to read as follows:
- (1)(a) There shall be an alcohol server permit, known as a class 12 permit, for a manager or bartender selling or mixing alcohol, spirits, wines, or beer for consumption at an on-premises licensed facility.
- (b) There shall be an alcohol server permit, known as a class 13 permit, for a person who only serves alcohol, spirits, wines, or beer for consumption at an on-premises licensed facility.
- (c) As provided by rule by the board, a class 13 permit holder may be allowed to act as a bartender without holding a class 12 permit.
- (2)(a) Effective January 1, 1997, except as provided in (d) of this subsection, every alcohol server employed, under contract or otherwise, at a retail licensed premise shall be issued a class 12 or class 13 permit.
- (b) Every class 12 and class 13 permit issued shall be issued in the name of the applicant and no other person may use the permit of another permit holder. The holder shall present the permit upon request to inspection by a representative of the board or a peace officer. The class 12 or class 13 permit shall be valid for employment at any retail licensed premises described in (a) of this subsection.

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1 (c) Except as provided in (d) of this subsection, no licensee 2 holding a license as authorized by RCW 66.24.320, 66.24.330, 66.24.350, 3 66.24.400, 66.24.425, 66.24.450, 66.24.570, and 66.24.600 may employ or 4 accept the services of any person without the person first having a 5 valid class 12 or class 13 permit.

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- (d) Within sixty days of initial employment, every person whose duties include the compounding, sale, service, or handling of liquor shall have a class 12 or class 13 permit.
- (e) No person may perform duties that include the sale or service of alcoholic beverages on a retail licensed premises without possessing a valid alcohol server permit.
 - (3) A permit issued by a training entity under this section is valid for employment at any retail licensed premises described in subsection (2)(a) of this section for a period of five years unless suspended by the board.
- (4) The board may suspend or revoke an existing permit if any of the following occur:
 - (a) The applicant or permittee has been convicted of violating any of the state or local intoxicating liquor laws of this state or has been convicted at any time of a felony; or
 - (b) The permittee has performed or permitted any act that constitutes a violation of this title or of any rule of the board.
 - (5) The suspension or revocation of a permit under this section does not relieve a licensee from responsibility for any act of the employee or agent while employed upon the retail licensed premises. The board may, as appropriate, revoke or suspend either the permit of the employee who committed the violation or the license of the licensee upon whose premises the violation occurred, or both the permit and the license.
 - (6)(a) After January 1, 1997, it is a violation of this title for any retail licensee or agent of a retail licensee as described in subsection (2)(a) of this section to employ in the sale or service of alcoholic beverages, any person who does not have a valid alcohol server permit or whose permit has been revoked, suspended, or denied.
- 35 (b) It is a violation of this title for a person whose alcohol 36 server permit has been denied, suspended, or revoked to accept 37 employment in the sale or service of alcoholic beverages.

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(7) Grocery stores licensed under RCW 66.24.360, the primary commercial activity of which is the sale of grocery products and for which the sale and service of beer and wine for on-premises consumption with food is incidental to the primary business, and employees of such establishments, are exempt from RCW 66.20.300 through 66.20.350, except for employees whose duties include serving during tasting activities under section 1 of this act.

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8 Sec. 3. RCW 66.20.300 and 2008 c 94 s 10 and 2008 c 41 s 1 are each reenacted and amended to read as follows:

10 Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 66.20.310 through 66.20.350.

- (1) "Alcohol" has the same meaning as "liquor" in RCW 66.04.010.
- (2) "Alcohol server" means any person who as part of his or her employment participates in the sale or service of alcoholic beverages for on-premise consumption at a retail licensed premise as a regular requirement of his or her employment, and includes those persons eighteen years of age or older permitted by the liquor laws of this state to serve alcoholic beverages with meals.
 - (3) "Board" means the Washington state liquor control board.
- (4) "Training entity" means any liquor licensee associations, independent contractors, private persons, and private or public schools, that have been certified by the board.
 - (5) "Retail licensed premises" means any:
- (a) Premises licensed to sell alcohol by the glass or by the drink, or in original containers primarily for consumption on the premises as authorized by RCW 66.24.320, 66.24.330, 66.24.350, 66.24.400, 66.24.425, 66.24.450, and 66.24.570;
- 28 (b) Distillery licensed pursuant to RCW 66.24.140 that is 29 authorized to serve samples of its own production; ((and))
- 30 (c) Facility established by a domestic winery for serving and selling wine pursuant to RCW 66.24.170(4); and
- 32 (d) Grocery store licensed under RCW 66.24.360, but only with 33 respect to employees whose duties include serving during tasting 34 activities under section 1 of this act.

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