

# SENATE BILL REPORT

## SB 5682

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As Reported By Senate Committee On:  
Labor, Commerce, Research & Development, February 17, 2005

**Title:** An act relating to sampling activities of licensees under Title 66 RCW.

**Brief Description:** Regulating beer and wine sampling.

**Sponsors:** Senators Keiser, Deccio, Rasmussen and Kohl-Welles.

**Brief History:**

**Committee Activity:** Labor, Commerce, Research & Development: 2/14/05, 2/17/05 [DPS].

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Majority Report:** That Substitute Senate Bill No. 5682 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Brown, Honeyford, Keiser and Prentice.

**Staff:** Alison Mendiola (786-7483)

**Background:** A beer and/or wine specialty shop may provide samples containing two ounces or less to customers to promote sales. A liquor manufacturer, importer, or distributor may not pay for the sampling.

A brewery, distributor, winery, distiller, certificate of approval holder, or importer may furnish samples of beer, wine, or spirits to a licensee to negotiate sales. Except for importers, these licensees are also allowed to provide samples of beer, wine, or spirits to licensees and their employees to instruct them on the history, nature, values, and characteristics of the beer, wine, or spirits. A winery, certificate of approval holder, or distributor may furnish wine to certain not-for-profit and nonprofit groups. Finally, a brewery or winery may serve beer or wine without charge on its premises.

**Summary of Substitute Bill:** Sampling activities by grocery store licensees (grocery stores) are allowed. A grocery store may provide free samples containing two ounces or less, but no more than a total of eight ounces, of beer or wine to promote sales. Sampling is allowed only if the enclosed area of the grocery store is at least 12,000 square feet.

Conditions on sampling activities by grocery stores are established. The service area must be in the grocery store. The size and the design of the service area must permit the grocery store to observe and control persons in the sampling area to ensure that persons under 21, and intoxicated persons, cannot possess or consume alcohol. Customers must remain in the service area while sampling.

**Substitute Bill Compared to Original Bill:** The original bill required licensees wanting to provide sampling to have at least 20,000 square feet of enclosed retail space. The cost of

sampling could be borne by the manufacturer, importer, or distributor of liquor, but in limited circumstances. The number of sampling activities was limited to not more than eight times per calendar year, no longer than two consecutive days, and no more frequently than once every four weeks.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Testimony For (Substitute Bill):** Given that there is a huge range of beer and wine to choose from in grocery stores, sampling would help customers make a decision on what to buy. This legislation is patterned after Oregon's sampling laws, which have been successful, no new safety issues. This legislation is supported by both big and small grocery stores. The key here is not to increase consumption but provide customers with knowledge regarding the pairings of beer and wine to food. Since the retailer bears the cost, sampling will not be a frequent activity. There is a wide selection of Washington beer and wine and if customers had a chance to try it, they'd like it and buy the product.

The substitute addresses concerns of the Liquor Control Board and if adopted, would eliminate the fiscal note.

**Testimony Against (Original Bill):** Oregon required training for the grocery store licensees and this bill is silent on the matter. Under the substitute bill, there is agreement that licensees would have some training. Under the original bill, there was some concern that manufacturers would be giving away alcohol but this language has been removed in the substitute bill.

**Who Testified:** PRO: George Hancock, Washington Brewers Guild, Pyramid Breweries; Holly Chisa, Albertsons; Cliff Finch, Washington Food Industry; Jean Leonard, Washington Wine Institute; and Jan Gee, Washington Food Industry.

CON: Rick Garza, Washington State Liquor Control Board (pro substitute).