

ESHB 1202 - S COMM AMD

By Committee on Labor, Commerce & Consumer Protection

ADOPTED 03/30/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The liquor control board shall  
4 establish a pilot project to allow spirits sampling in state liquor  
5 stores as defined in RCW 66.16.010 and contract stores as defined in  
6 RCW 66.04.010(11) for the purpose of promoting the sponsor's products.  
7 For purposes of this section, "sponsors" means: A domestic distiller  
8 licensed under RCW 66.24.140 or an accredited representative of a  
9 distiller, manufacturer, importer, or distributor of spirituous liquor  
10 licensed under RCW 66.24.310.

11 (a) The pilot project shall consist of thirty locations with at  
12 least six samplings to be conducted at each location between September  
13 1, 2011, and September 1, 2012. However, no state liquor store or  
14 contract store may hold more than one spirits sampling per week during  
15 the project period.

16 (b) The pilot project locations shall be determined by the board.  
17 Before the board determines which state liquor stores or contract  
18 stores will be eligible to participate in the sampling pilot, it shall  
19 give:

20 (i) Due consideration to the location of the state liquor store or  
21 contract store with respect to the proximity of places of worship,  
22 schools, and public institutions;

23 (ii) Due consideration to motor vehicle accident data in the  
24 proximity of the state liquor store or contract store; and

25 (iii) Written notice by certified mail of the proposed spirits  
26 sampling to places of worship, schools, and public institutions within  
27 five hundred feet of the liquor store proposed to offer spirits  
28 sampling.

29 (c) Sampling must be conducted under the following conditions:

1 (i) Sampling may take place only in an area of a state liquor store  
2 or contract store in which access to persons under twenty-one years of  
3 age is prohibited;

4 (ii) Samples may be provided free of charge;

5 (iii) Only persons twenty-one years of age or over may sample  
6 spirits;

7 (iv) Each sample must be one-quarter ounce or less, with no more  
8 than one ounce of samples provided per person per day;

9 (v) Only sponsors may serve samples;

10 (vi) Any person involved in the serving of such samples must have  
11 completed a mandatory alcohol server training program;

12 (vii) No person who is apparently intoxicated may sample spirits;

13 (viii) The product provided for sampling must be available for sale  
14 at the state liquor store or contract store where the sampling occurs  
15 at the time of the sampling; and

16 (ix) Customers must remain on the state liquor store or contract  
17 store premise while consuming samples.

18 (d) The liquor control board may prohibit sampling at a pilot  
19 project location that is within the boundaries of an alcohol impact  
20 area recognized by resolution of the board if the board finds that the  
21 sampling activities at the location are having an adverse effect on the  
22 reduction of chronic public inebriation in the area.

23 (e) All other criteria needed to establish and monitor the pilot  
24 project shall be determined by the board.

25 (f) The board shall report on the pilot project to the appropriate  
26 committees of the legislature by December 1, 2012. The board's report  
27 shall include the results of a survey of liquor store managers and  
28 contract liquor store managers.

29 (2) The liquor control board may adopt rules to implement this  
30 section.

31 **Sec. 2.** RCW 66.08.050 and 2005 c 151 s 3 are each amended to read  
32 as follows:

33 The board, subject to the provisions of this title and the rules,  
34 shall:

35 (1) Determine the localities within which state liquor stores shall  
36 be established throughout the state, and the number and situation of  
37 the stores within each locality;

1 (2) Appoint in cities and towns and other communities, in which no  
2 state liquor store is located, contract liquor stores. In addition,  
3 the board may appoint, in its discretion, a manufacturer that also  
4 manufactures liquor products other than wine under a license under this  
5 title, as a contract liquor store for the purpose of sale of liquor  
6 products of its own manufacture on the licensed premises only. Such  
7 contract liquor stores shall be authorized to sell liquor under the  
8 guidelines provided by law, rule, or contract, and such contract liquor  
9 stores shall be subject to such additional rules and regulations  
10 consistent with this title as the board may require. Sampling on  
11 contract store premises is permitted under this act;

12 (3) Establish all necessary warehouses for the storing and  
13 bottling, diluting and rectifying of stocks of liquors for the purposes  
14 of this title;

15 (4) Provide for the leasing for periods not to exceed ten years of  
16 all premises required for the conduct of the business; and for  
17 remodeling the same, and the procuring of their furnishings, fixtures,  
18 and supplies; and for obtaining options of renewal of such leases by  
19 the lessee. The terms of such leases in all other respects shall be  
20 subject to the direction of the board;

21 (5) Determine the nature, form and capacity of all packages to be  
22 used for containing liquor kept for sale under this title;

23 (6) Execute or cause to be executed, all contracts, papers, and  
24 documents in the name of the board, under such regulations as the board  
25 may fix;

26 (7) Pay all customs, duties, excises, charges and obligations  
27 whatsoever relating to the business of the board;

28 (8) Require bonds from all employees in the discretion of the  
29 board, and to determine the amount of fidelity bond of each such  
30 employee;

31 (9) Perform services for the state lottery commission to such  
32 extent, and for such compensation, as may be mutually agreed upon  
33 between the board and the commission;

34 (10) Accept and deposit into the general fund-local account and  
35 disburse, subject to appropriation, federal grants or other funds or  
36 donations from any source for the purpose of improving public awareness  
37 of the health risks associated with alcohol consumption by youth and  
38 the abuse of alcohol by adults in Washington state. The board's

1 alcohol awareness program shall cooperate with federal and state  
2 agencies, interested organizations, and individuals to effect an active  
3 public beverage alcohol awareness program;

4 (11) Perform all other matters and things, whether similar to the  
5 foregoing or not, to carry out the provisions of this title, and shall  
6 have full power to do each and every act necessary to the conduct of  
7 its business, including all buying, selling, preparation and approval  
8 of forms, and every other function of the business whatsoever, subject  
9 only to audit by the state auditor: PROVIDED, That the board shall  
10 have no authority to regulate the content of spoken language on  
11 licensed premises where wine and other liquors are served and where  
12 there is not a clear and present danger of disorderly conduct being  
13 provoked by such language.

14 **Sec. 3.** RCW 66.16.070 and 1933 ex.s. c 62 s 10 are each amended to  
15 read as follows:

16 No employee in a state liquor store shall open or consume, or allow  
17 to be opened or consumed any liquor on the store premises, except for  
18 the purposes of conducting on-premise spirits sampling pursuant to the  
19 provisions of this act.

20 **Sec. 4.** RCW 66.28.040 and 2009 c 373 s 8 are each amended to read  
21 as follows:

22 Except as permitted by the board under RCW 66.20.010, no domestic  
23 brewery, microbrewery, distributor, distiller, domestic winery,  
24 importer, rectifier, certificate of approval holder, or other  
25 manufacturer of liquor shall, within the state of Washington, give to  
26 any person any liquor; but nothing in this section nor in RCW 66.28.010  
27 shall prevent a domestic brewery, microbrewery, distributor, domestic  
28 winery, distiller, certificate of approval holder, or importer from  
29 furnishing samples of beer, wine, or spirituous liquor to authorized  
30 licensees for the purpose of negotiating a sale, in accordance with  
31 regulations adopted by the liquor control board, provided that the  
32 samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210,  
33 and in the case of spirituous liquor, any product used for samples must  
34 be purchased at retail from the board; nothing in this section shall  
35 prevent the furnishing of samples of liquor to the board for the  
36 purpose of negotiating the sale of liquor to the state liquor control

1 board; nothing in this section shall prevent a domestic brewery,  
2 microbrewery, domestic winery, distillery, certificate of approval  
3 holder, or distributor from furnishing beer, wine, or spirituous liquor  
4 for instructional purposes under RCW 66.28.150; nothing in this section  
5 shall prevent a domestic winery, certificate of approval holder, or  
6 distributor from furnishing wine without charge, subject to the taxes  
7 imposed by RCW 66.24.210, to a not-for-profit group organized and  
8 operated solely for the purpose of enology or the study of viticulture  
9 which has been in existence for at least six months and that uses wine  
10 so furnished solely for such educational purposes or a domestic winery,  
11 or an out-of-state certificate of approval holder, from furnishing wine  
12 without charge or a domestic brewery, or an out-of-state certificate of  
13 approval holder, from furnishing beer without charge, subject to the  
14 taxes imposed by RCW 66.24.210 or 66.24.290, or a domestic distiller  
15 licensed under RCW 66.24.140 or an accredited representative of a  
16 distiller, manufacturer, importer, or distributor of spirituous liquor  
17 licensed under RCW 66.24.310, from furnishing spirits without charge,  
18 to a nonprofit charitable corporation or association exempt from  
19 taxation under section 501(c)(3) or (6) of the internal revenue code of  
20 1986 (26 U.S.C. Sec. 501(c)(3) or (6)) for use consistent with the  
21 purpose or purposes entitling it to such exemption; nothing in this  
22 section shall prevent a domestic brewery or microbrewery from serving  
23 beer without charge, on the brewery premises; nothing in this section  
24 shall prevent donations of wine for the purposes of RCW 66.12.180;  
25 nothing in this section shall prevent a domestic winery from serving  
26 wine without charge, on the winery premises; ~~((and))~~ nothing in this  
27 section shall prevent a craft distillery from serving spirits without  
28 charge, on the distillery premises subject to RCW 66.24.145; and  
29 nothing in this section prohibits spirits sampling under this act.

30 NEW SECTION. **Sec. 5.** This act expires December 1, 2012."

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1        On page 1, line 1 of the title, after "sampling;" strike the  
2 remainder of the title and insert "amending RCW 66.08.050, 66.16.070,  
3 and 66.28.040; creating a new section; and providing an expiration  
4 date."

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