S-4093.1			
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SENATE BILL 6477

State of Washington 62nd Legislature 2012 Regular Session

By Senators Conway, Holmquist Newbry, and Kohl-Welles

Read first time 01/25/12. Referred to Committee on Labor, Commerce & Consumer Protection.

AN ACT Relating to spirits sampling in former contract liquor stores; amending RCW 66.08.050, 66.08.050, and 66.08.030; adding a new section to chapter 66.16 RCW; providing an effective date; and

providing an expiration date.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 66.16 RCW 7 to read as follows:
 - (1) The liquor control board must allow spirits sampling in former contract liquor stores for the purpose of promoting the sponsor's products.
 - (a) No store may hold more than one spirits sampling per week.
- 12 (b) The locations shall be approved by the board. Before the board determines which stores will be eligible to participate, it shall give:
 - (i) Due consideration to the location of the store with respect to the proximity of places of worship, schools, and public institutions;
- 16 (ii) Due consideration to motor vehicle accident data in the 17 proximity of the store; and
- 18 (iii) Written notice by certified mail of the proposed spirits

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- sampling to places of worship, schools, and public institutions within five hundred feet of the store proposed to offer spirits sampling.
 - (c) Sampling must be conducted under the following conditions:
 - (i) Sampling may take place only in an area of a store in which access to persons under twenty-one years of age is prohibited;
 - (ii) Samples may be provided free of charge;
- 7 (iii) Only persons twenty-one years of age or over may sample 8 spirits;
- 9 (iv) Each sample must be one-quarter ounce or less, with no more 10 than one ounce of samples provided per person per day;
 - (v) Only sponsors may serve samples;
- 12 (vi) Any person involved in the serving of such samples must have 13 completed a mandatory alcohol server training program;
- 14 (vii) No person who is apparently intoxicated may sample spirits;
- (viii) The product provided for sampling must be available for sale at the store where the sampling occurs at the time of the sampling; and
- 17 (ix) Customers must remain on the store premise while consuming 18 samples.
- 19 (d) The liquor control board may prohibit sampling at a location 20 that is within the boundaries of an alcohol impact area recognized by 21 resolution of the board if the board finds that the sampling activities 22 at the location are having an adverse effect on the reduction of 23 chronic public inebriation in the area.
 - (e) All other criteria must be determined by the board.
- 25 (2) The liquor control board may adopt rules to implement this 26 section.
- 27 (3) For the purposes of this section:
- 28 (a) "Sponsors" means a domestic distiller licensed under RCW
- 29 66.24.140 or an accredited representative of a distiller, manufacturer,
- 30 importer, or distributor of spirituous liquor licensed under RCW
- 31 66.24.310; and
- 32 (b) "Store" means a former contract liquor store premises as of May
- 33 31, 2012.

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- 34 Sec. 2. RCW 66.08.050 and 2012 c 2 s 107 (Initiative Measure No.
- 35 1183) are each amended to read as follows:
- The board, subject to the provisions of this title and the rules,
- 37 must:

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1 (1) Determine the nature, form and capacity of all packages to be 2 used for containing liquor kept for sale under this title;

- (2) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;
- (3) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;
- (4) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;
- (5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;
- (6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program must cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;
- (7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and has full power to do each and every act necessary to the conduct of its regulatory functions, including all supplies procurement, preparation and approval of forms, and every other undertaking necessary to perform its regulatory functions whatsoever, subject only to audit by the state auditor. However, the board has no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language or to restrict advertising of lawful prices;
- 33 (8) Allow spirits sampling on former contract liquor store premises 34 under this act.
- 35 Sec. 3. RCW 66.08.050 and 2012 c 2 s 107 (Initiative Measure No. 1183) are each amended to read as follows:

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The board, subject to the provisions of this title and the rules, must:

- (1) Determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this title;
- (2) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;
- (3) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;
- (4) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;
- (5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;
- (6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program must cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;
- (7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and has full power to do each and every act necessary to the conduct of its regulatory functions, including all supplies procurement, preparation and approval of forms, and every other undertaking necessary to perform its regulatory functions whatsoever, subject only to audit by the state auditor. However, the board has no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language or to restrict advertising of lawful prices;
- 35 <u>(8) Allow spirits sampling on former contract liquor store premises</u> 36 under this act.

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Sec. 4. RCW 66.08.030 and 2012 c 2 s 204 (Initiative Measure No. 1183) are each amended to read as follows:

The power of the board to make regulations under chapter 34.05 RCW extends to:

- (1) Prescribing the duties of the employees of the board, and regulating their conduct in the discharge of their duties;
- (2) Prescribing an official seal and official labels and stamps and determining the manner in which they must be attached to every package of liquor sold or sealed under this title, including the prescribing of different official seals or different official labels for different classes of liquor;
- (3) Prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualifications for receiving a permit or license issued under this title, including a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;
- (4) Prescribing the fees payable in respect of permits and licenses issued under this title for which no fees are prescribed in this title, and prescribing the fees for anything done or permitted to be done under the regulations;
- (5) Prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same is kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;
- (6) Regulating the sale of liquor kept by the holders of licenses which entitle the holder to purchase and keep liquor for sale;
- (7) Prescribing the records of purchases or sales of liquor kept by the holders of licenses, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

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(8) Prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

- (9) Prescribing the manner of giving and serving notices required by this title or the regulations, where not otherwise provided for in this title;
- (10) Regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the board, and providing for the inspection of the premises and the books, records and the liquor so kept;
- (11) Prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;
- (12) Prescribing the conditions, accommodations, and qualifications requisite for the obtaining of licenses to sell beer, wines, and spirits, and regulating the sale of beer, wines, and spirits thereunder;
- (13) Specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers must deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;
- (14) Providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;
- (15) Providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;
- (16) Providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

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(17) Providing for the giving of fidelity bonds by any or all of the employees of the board. However, the premiums therefor must be paid by the board;

- (18) Providing for the shipment of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this title, prohibited the sale of liquor therein;
- (19) Prescribing methods of manufacture, conditions of sanitation, standards of ingredients, quality and identity of alcoholic beverages manufactured, sold, bottled, or handled by licensees and the board; and conducting from time to time, in the interest of the public health and general welfare, scientific studies and research relating to alcoholic beverages and the use and effect thereof;
- (20) Seizing, confiscating and destroying all alcoholic beverages manufactured, sold or offered for sale within this state which do not conform in all respects to the standards prescribed by this title or the regulations of the board. However, nothing herein contained may be construed as authorizing the liquor board to prescribe, alter, limit or in any way change the present law as to the quantity or percentage of alcohol used in the manufacturing of wine or other alcoholic beverages:

 (21) Allowing spirits sampling under this act.
- NEW SECTION. Sec. 5. Section 2 of this act expires December 1, 22 2012.
- NEW SECTION. Sec. 6. Section 3 of this act takes effect December 1, 2012.

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