H-0123.1			

HOUSE BILL 1022

State of Washington

63rd Legislature

2013 Regular Session

By Representative Haler

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- 1 AN ACT Relating to the sampling of wine and beer at specialty
- 2 stores; amending RCW 66.28.040; reenacting and amending RCW 66.24.371;
- 3 and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that rules adopted by
- 6 the liquor control board restrict sampling in a manner not envisioned
- 7 by the legislature when it created this section of the statute. All
- 8 licensees were to be able to provide sampling for the purposes of sales
- 9 promotion without needing to qualify to do so. The legislature intends
- 10 to nullify rules that limit sampling to only businesses whose gross
- 11 sales of beer and wine exceed fifty percent or are done in conjunction
- 12 with cooking classes.
- 13 **Sec. 2.** RCW 66.24.371 and 2011 c 195 s 4 and 2011 c 119 s 204 are
- 14 each reenacted and amended to read as follows:
- 15 (1) There shall be a beer and/or wine retailer's license to be
- 16 designated as a beer and/or wine specialty shop license to sell beer,
- 17 strong beer, and/or wine at retail in bottles, cans, and original
- 18 containers, not to be consumed upon the premises where sold, at any

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store other than the state liquor stores. Licensees obtaining a written endorsement from the board may also sell malt liquor in kegs or other containers capable of holding four gallons or more of liquid. The annual fee for the beer and/or wine specialty shop license is one hundred dollars for each store. The sale of any container holding four gallons or more must comply with RCW 66.28.200 and 66.28.220.

- (2) All licensees under this section without prior board qualification may provide, free or for a charge, single-serving samples of two ounces or less to customers for the purpose of sales promotion. Sampling activities of licensees under this section are subject to RCW 66.28.305 and 66.28.040 and the cost of sampling under this section may not be borne, directly or indirectly, by any manufacturer, importer, or distributor of liquor.
- (3) Upon approval by the board, the beer and/or wine specialty shop licensee that exceeds fifty percent beer and/or wine sales may also receive an endorsement to permit the sale of beer to a purchaser in a sanitary container brought to the premises by the purchaser, or provided by the licensee or manufacturer, and fill at the tap by the licensee at the time of sale. If the beer and/or wine specialty shop licensee does not exceed fifty percent beer and/or wine sales, the board may waive the fifty percent beer and/or wine sale criteria if the beer and/or wine specialty shop maintains alcohol inventory that exceeds fifteen thousand dollars.
- (4) The board shall issue a restricted beer and/or wine specialty shop license, authorizing the licensee to sell beer and only table wine, if the board finds upon issuance or renewal of the license that the sale of strong beer or fortified wine would be against the public interest. In determining the public interest, the board shall consider at least the following factors:
- 30 (a) The likelihood that the applicant will sell strong beer or 31 fortified wine to persons who are intoxicated;
 - (b) Law enforcement problems in the vicinity of the applicant's establishment that may arise from persons purchasing strong beer or fortified wine at the establishment; and
- 35 (c) Whether the sale of strong beer or fortified wine would be 36 detrimental to or inconsistent with a government-operated or funded 37 alcohol treatment or detoxification program in the area.

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If the board receives no evidence or objection that the sale of strong beer or fortified wine would be against the public interest, it shall issue or renew the license without restriction, as applicable. The burden of establishing that the sale of strong beer or fortified wine by the licensee would be against the public interest is on those persons objecting.

- (5) Licensees holding a beer and/or wine specialty shop license must maintain a minimum three thousand dollar wholesale inventory of beer, strong beer, and/or wine.
 - (6) The board may adopt rules to implement this section.

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11 Sec. 3. RCW 66.28.040 and 2012 c 2 s 116 (Initiative Measure No. 12 1183) are each amended to read as follows:

Except as permitted by the board under RCW 66.20.010, no domestic brewery, microbrewery, distributor, distiller, domestic winery, importer, rectifier, certificate of approval holder, or other manufacturer of liquor may, within the state of Washington, give to any person any liquor; but nothing in this section nor in RCW 66.28.305 prevents a domestic brewery, microbrewery, distributor, domestic winery, distiller, certificate of approval holder, or importer from furnishing samples of beer, wine, or spirituous liquor to authorized licensees for the purpose of negotiating a sale((, in accordance with regulations adopted by the liquor control board)), provided that the samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210; nothing in this section prevents a domestic brewery, microbrewery, domestic winery, distillery, certificate of approval holder, distributor from furnishing beer, wine, or spirituous liquor for instructional purposes under RCW 66.28.150; nothing in this section prevents a domestic winery, certificate of approval holder, distributor from furnishing wine without charge, subject to the taxes imposed by RCW 66.24.210, to a not-for-profit group organized and operated solely for the purpose of enology or the study of viticulture which has been in existence for at least six months and that uses wine so furnished solely for such educational purposes or a domestic winery, or an out-of-state certificate of approval holder, from furnishing wine without charge or a domestic brewery, or an out-of-state certificate of approval holder, from furnishing beer without charge, subject to the taxes imposed by RCW 66.24.210 or 66.24.290, or a domestic distiller

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licensed under RCW 66.24.140 or an accredited representative of a 1 2 distiller, manufacturer, importer, or distributor of spirituous liquor licensed under RCW 66.24.310, from furnishing spirits without charge, 3 4 to a nonprofit charitable corporation or association exempt from taxation under 26 U.S.C. Sec. 501(c)(3) or (6) of the internal revenue 5 6 code of 1986 for use consistent with the purpose or purposes entitling it to such exemption; nothing in this section prevents a domestic 7 brewery or microbrewery from serving beer without charge, on the 8 9 brewery premises; nothing in this section prevents donations of wine for the purposes of RCW 66.12.180; nothing in this section prevents a 10 11 domestic winery from serving wine without charge, on the winery 12 premises; and nothing in this section prevents a craft distillery from 13 serving spirits without charge, on the distillery premises subject to 14 RCW 66.24.145.

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