H-1521.1			

## SUBSTITUTE HOUSE BILL 1422

By House Government Accountability & Oversight (originally sponsored by Representatives Condotta and Hurst)

63rd Legislature

2013 Regular Session

READ FIRST TIME 02/18/13.

State of Washington

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- 1 AN ACT Relating to the beer and wine tasting endorsement for 2 grocery stores; and amending RCW 66.24.363.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 66.24.363 and 2010 c 141 s 1 are each amended to read 5 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.
  - (2) To be issued an endorsement, a licensee must meet the following 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)) ten thousand square feet, except that the board may issue an endorsement to a licensee with a retail area encompassing less than ((nine)) ten thousand square feet if the board determines that no licensee in the community the licensee serves meets the square footage requirement and the licensee meets operational

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- requirements established by the board by rule. For the purposes of this subsection (2)(a), "fully enclosed retail area" means fully enclosed retail space within a single structure, including storerooms and other interior auxiliary areas but excluding covered or fenced exterior areas, whether or not attached to the structure; and
  - $((\frac{c}{c}))$  (b) The licensee has not had more than one public safety violation within the past two years.

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- (3) A tasting must be conducted under the following conditions:
- 9 (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 wine may be provided to a customer during any one visit to the premises;
- 14 (c) The licensee must have food available for the tasting 15 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.
- 35 (7)(a) If a licensee is found to have committed a public safety 36 violation in conjunction with tasting activities, the board may suspend 37 the licensee's tasting endorsement and not reissue the endorsement for

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up to two years from the date of the violation. If mitigating circumstances exist, the board may offer a monetary penalty in lieu of suspension during a settlement conference.

- (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.

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