

MINA' TRENTAI UNU NA LIHESLATURAN GUAHAN
2011 (FIRST) Regular

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WLL

Bill No. 328-31 (COR)

Introduced by:

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T.C. ADA *TC*
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AN ACT TO PROVIDE FOR THE REGULATED CONDUCT OF SPECIAL TASTING AND SAMPLING EVENTS AT APPROVED LOCATIONS, WHEN CONDUCTED BY A OFF-SALE LICENSEE, WHOLESALE LICENSEE OR AGENT LICENSEE, FOR THE SALE OF ALCOHOLIC BEVERAGES AND DISTILLED SPIRITS BY ADDING A NEW §3229 TO ARTICLE 2 OF §3215, CHAPTER 3, AND BY AMENDING §3413 OF ARTICLE 4 OF CHAPTER 3, BOTH OF TITLE 11, GUAM CODE ANNOTATED.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent:** *I Liheslaturan Guåhan* finds
3 that the conduct of wine, liquor and liqueur tasting / sampling events by a off-sale
4 licensee, wholesale dealer licensee or agent licensee of alcoholic beverages or
5 distilled spirits is prohibited by law (11 GCA, Chapter 3, Article 4, §3413) in so far
6 as that the consumer cannot participate in the event. The inability to conduct
7 tasting events upon the premises has historically blocked what is commonly a
8 responsibly conducted practice in other areas such as California where wine
9 tasting, as well as other alcoholic beverages and distilled spirits, is a common
10 event.

1 by the holder of a valid Off-Sale License, Wholesale Dealer License or Agent
2 License issued by the Alcohol Beverage Control Board, as provided pursuant to
3 applicable law, rules and regulations. It is, further, the intent of *I Liheslaturan*
4 *Guåhan* to allow and promote the responsible, regulated on-site conduct of tasting
5 events for alcohol beverages and distilled spirits. Consumers would now be able to
6 participate in the sampling of varying types of wines and other alcoholic beverages
7 and distilled spirits, and, subsequently, be provided the opportunity to purchase the
8 products at the end of the tasting event as they leave, or at their leisure at a future
9 date having already experienced the products.

10 It is, further, the intent of *I Liheslaturan Guåhan* that the Alcohol Beverage
11 Control Board provide for the proper conduct of sampling and tasting events for
12 alcoholic beverages or distilled spirits by promulgating applicable rules and
13 regulations, as authorized pursuant to this Act, and consistent within the scope of
14 its intent.

15 **Section 2.** A new §3229 is hereby added to Article 2 of Chapter 3, Title 11,
16 Guam Code Annotated, to read:

17 **“§3229. Special Display and Tasting / Sampling Events; Authorized.**

18 (a) A person holding a valid Off-Sale License, Wholesale Dealers’ License, or
19 Agent’s License, is authorized to conduct special display and sampling / tasting
20 events of authorized alcoholic beverages and distilled spirits for the purpose of
21 familiarizing consumers with the taste of an alcoholic beverage or distilled spirit
22 product(s) on authorized premises.

23 (b) The Board shall, within 120 days of the enactment of this Act, develop
24 necessary procedures, and as deemed necessary promulgate rules and regulations,
25 if any, to implement this Section. The procedures, rules and regulations shall be

1 duly promulgated by the Board pursuant to Article 3 - Rule Making Procedures, of
2 Chapter 9, Title 5, Guam Code Annotated.

3 i. The Board shall designate the categories of approved alcoholic
4 beverages and/or distilled spirits which are authorized for consumption
5 during sampling / tasting events; and

6 ii. Shall determine the amount of, and manner by which, the beverages
7 may be offered or served for sampling / tasting.

8 (c) The authorized licensee shall, in addition to complying with applicable
9 rules and regulations promulgated relative to this Section, be subject to the
10 following conditions for the conduct of a sampling / tasting event:

11 i. The tasting / sampling shall not be for a fee or charge in any amount
12 to the consumer;

13 ii. The amount of alcoholic beverages offered for tasting shall be limited
14 to no more one (1) three-ounce (3 oz.) sample of each item per person, with
15 the exception of distilled spirits, which will be limited to a single one-ounce
16 (1 oz.) sample of each item per person;

17 iii. A Wholesale Dealer Licensee or Agent Licensee shall not directly sell
18 any alcoholic beverage product directly to a consumer during the tasting /
19 sampling event, provided, however, the holder of an off-sale license
20 applicable to the premises upon which the event is conducted, may sell
21 directly to consumers for later consumption *off* the premises;

22 iv. Frequency of Event. A special tasting and sampling event shall not be
23 conducted for more than two consecutive days at a single location per week,
24 nor more than a total of six days at the same location per month;

25 v. Advance Notification of Planned Event to Board. The anticipated or
26 planned conduct of an event, or multiple events, shall be submitted to the

1 Board in writing or by electronic notification at least five (5) business days
2 in advance of the event. The one (1) day per event special license shall be
3 assessed a non-recurring fee of \$25.00. For all submissions received less
4 than five (5) business days from planned event, an “Expedited Processing
5 Fee” \$50.00 will be assessed. Full payment of the license fee is due and
6 payable at the time license is issued to the applicant; and

7 vi. Authorized Locations. The following locations are authorized for the
8 temporary conduct of special display and sampling / tasting events for
9 authorized alcoholic beverages:

- 10 1. Business holding an Off-Sales License, or sponsored on the
11 premises by a Licensed Wholesale Dealer or Licensed Agent of
12 Alcoholic Beverages;
- 13 2. Class 1 Manufacturer’s establishment, as defined in this Chapter;
- 14 3. Hotel lobbies and hotel special event rooms, to include, but not be
15 limited to, exhibit halls, convention center, Mall courtyards, Club,
16 Vessel, Transient Vessel, Condominium Hotel, Brewpub and
17 General Caterer; when sponsored by a Licensed Wholesale Dealer
18 or Licensed Agent of Alcoholic Beverages.

19 vii. Monies Collected from Assessment of Fees. All monies collected for
20 the Non-Recurring and/or “Expedited Processing Fee” shall be deposited
21 into a separate account labeled, “Alcohol Beverage Compliance Fees and
22 Fines Fund.” The Administrator, with Board approval, shall be authorized
23 to use monies collected for programs to promote compliance with liquor
24 laws, business development, and improvement of interagency and interoffice
25 functions. Such programs may include but are not limited to: enforcement,
26 public services announcements promoting responsible drinking and driving

1 practices, youth programs, education and Alcoholic Beverage Control Board
2 and administrative meetings.

3 (d) Sampling and Licensed Premise.

4 i. Licensees desiring to have a promotional sampling on their premises shall
5 clearly stated and identify in application the type of liquor to be sampled, the
6 date and hours sampling is to take place and the name of the person in
7 charge of the sampling;

8 ii. Samples of alcoholic beverages, will be limited to one (1) three-ounce (3
9 oz.) sample of each item per person. Distilled spirits will be limited to a
10 single one-ounce (1 oz.) sample of each item per person;

11 iii. No minors or person under the age of 21 years of age shall be permitted
12 sample liquor;

13 iv. No person under the age of eighteen (18) years shall serve alcohol,
14 liquor, beer and/or wine;

15 v. A copy of the approval license shall be posted in the vicinity of the
16 sampling area; and

17 vi. Consumers (Tasters) shall remain within the designated “event room”
18 and not be allowed to wander throughout the premise and shall not be
19 allowed to exit the premises with alcohol, liquor, wine and or beer.

20 **Section 3.** § 3413 of Article 4, Title 11, Guam Code Annotated, is hereby
21 amended adding a new Subsection (a), to read:

22 **“§3413. Consumption Forbidden.** Unless authorized by a license issued
23 for the premises and sold by the licensee, a person shall not consume any alcoholic
24 beverages on any premises where alcoholic beverages are sold, nor except as
25 prescribed by the Board by regulation, on any premises open or used by the public.

1 (a) Exception; This §3413 shall not apply to temporary special tasting and
2 sampling events, as authorized pursuant to §3229 of Article 2, of this
3 Chapter.”

4 **Section 3. Severability.** *If* any provision of this Act or its application to
5 any person or circumstance is found to be invalid or contrary to law, such
6 invalidity shall *not* affect other provisions or applications of this Act which can be
7 given effect without the invalid provisions or application, and to this end the
8 provisions of this Act are severable.”

9 **Section 4. Effective Date.** This Act shall become immediately effective
10 upon enactment.