I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHEN GUÅHAN*

This is to certify that **Bill No. 328-31 (COR), "AN ACT TO *ADD* A NEW §3229 TO ARTICLE 2, AND A NEW SUBSECTION (a) TO §3413 OF ARTICLE 4, ALL OF CHAPTER 3, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING FOR THE REGULATED CONDUCT OF SPECIAL TASTING AND SAMPLING EVENTS AT APPROVED LOCATIONS, WHEN CONDUCTED BY AN OFF-SALE LICENSEE, WHOLESALE LICENSEE OR AGENT LICENSEE, FOR THE SALE OF ALCOHOLIC BEVERAGES AND DISTILLED SPIRITS",** was on the 21st day of March, 2012, duly and ~~regularly~~ passed.

Judith T. Won Pat, Ed.D.
Speaker

Attested:

Rory J. Respicio
Acting Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 21 day of March, 2012, at 5:45 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

Bill No. 328-31 (COR)

Introduced by: Dennis G. Rodriguez, Jr.
T. C. Ada
F. F. Blas, Jr.
Adolpho B. Palacios, Sr.
V. Anthony Ada
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
T. R. Muña Barnes
v. c. pangelinan
R. J. Respicio
M. Silva Taijeron
Aline A.Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO *ADD* A NEW §3229 TO ARTICLE 2, AND A NEW SUBSECTION (a) TO §3413 OF ARTICLE 4, ALL OF CHAPTER 3, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING FOR THE REGULATED CONDUCT OF SPECIAL TASTING AND SAMPLING EVENTS AT APPROVED LOCATIONS, WHEN CONDUCTED BY AN OFF-SALE LICENSEE, WHOLESALE LICENSEE OR AGENT LICENSEE, FOR THE SALE OF ALCOHOLIC BEVERAGES AND DISTILLED SPIRITS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the conduct of wine, liquor and liqueur tasting / sampling events by an

off-sale licensee, wholesale dealer licensee or agent licensee of alcoholic beverages or distilled spirits is prohibited by law (11 GCA, Chapter 3, Article 4, §3413) insofar as that the consumer *cannot* participate in the event. The inability to conduct tasting events upon the premises has historically blocked what is commonly a responsibly conducted practice in other areas such as California where wine tasting, as well as other alcoholic beverages and distilled spirits, is a common event.

It is the intent of *I Liheslaturan Guåhan* to facilitate the judicious and responsible conduct of special events where displays of wines and liquors are sampled and tasted under responsible, controlled conditions on approved premises by the holder of a valid off-sale license, wholesale dealer license or agent license issued by the Alcoholic Beverage Control Board, as provided pursuant to applicable law, rules and regulations. It is, further, the intent of *I Liheslaturan Guåhan* to allow and promote the responsible and regulated on-site conduct of tasting events for alcohol beverages and distilled spirits. Consumers would now be able to participate in the sampling of various types of wines and other alcoholic beverages and distilled spirits; and subsequently be provided the opportunity to purchase the products at the end of the tasting event or at a future date, having already experienced the products.

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

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

"§ 3229. **Special Display and Tasting / Sampling Events; Authorized.** (a) A person holding a valid off-sale license, wholesale dealers' license, or agent's license, is authorized to conduct special display and sampling / tasting events of authorized alcoholic beverages and distilled spirits for the purpose of familiarizing consumers with the taste of an alcoholic beverage or distilled spirit product(s) on authorized premises.

(b) The Board *shall*, within one hundred twenty (120) days of the enactment of this Act, develop necessary procedures, and as deemed necessary, promulgate rules and regulations, if any, to implement this Section. The procedures, rules and regulations *shall* be duly promulgated by the Board pursuant to Article 3 - Rule Making Procedures, of Chapter 9, Title 5, Guam Code Annotated.

(1) The Board *shall* designate the categories of approved alcoholic beverages and/or distilled spirits which are authorized for consumption during sampling / tasting events; and

(2) *shall* determine the amount of, and manner by which, the beverages may be offered or served for sampling / tasting.

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

(1) The tasting / sampling *shall not* be for a fee or charge in any amount to the consumer;

(2) The amount of alcoholic beverages offered for tasting *shall* be limited to *no more than* one (1) three (3)-ounce sample of each item per person, with the exception of distilled spirits, which

will be limited to a single one (1)-ounce sample of each item per person;

(3) A wholesale dealer licensee or agent licensee *shall not* sell any alcoholic beverage product directly to a consumer during the tasting / sampling event; provided, *however*, that the holder of an off-sale license applicable to the premises upon which the event is conducted, may sell directly to consumers for later consumption *off* the premises;

(4) Frequency of Event. A special tasting and sampling event *shall not* be conducted for more than two (2) consecutive days at a single location per week, nor more than a total of six (6) days at the same location per month;

(5) Advance Notification of Planned Event to Board. Notice of the anticipated or planned conduct of an event, or multiple events, *shall* be submitted to the Board, in writing or by electronic notification, *at least* five (5) business days in advance of the event. The one (1) day per event special license *shall* be assessed a non-recurring fee of Twenty-five Dollars ($25.00). For all notice submissions received *less than* five (5) business days from a planned event, an *expedited processing fee* of Fifty Dollars ($50.00) will be assessed. Full payment of the license fee is due and payable at the time a license is issued to the applicant; and

(6) Authorized Locations. The following locations are authorized for the conduct of temporary special display and sampling / tasting events for authorized alcoholic beverages:

(A) A business holding an off-Sale license, or sponsored on the premises by a licensed wholesale dealer or licensed agent of alcoholic beverages;

(B) A Class 1 Manufacturer's establishment, as defined in this Chapter; and

(C) Hotel lobbies and hotel special event rooms, to include, but *not* be limited to, exhibit halls, convention centers, mall courtyards, club, vessel, transient vessel, condominium hotel, brewpub and general caterer, when sponsored by a licensed wholesale dealer or licensed agent of alcoholic beverages.

(7) Monies Collected from Assessment of Fees. All monies collected for the non-recurring fee and/or the *expedited processing fee shall* be deposited into a separate account called the "Alcoholic Beverage Compliance Fees and Fines Fund." The Administrator, with Board approval, *shall* be authorized to use the monies collected for programs to promote compliance with liquor laws, business development, and improvement of interagency and interoffice functions. Such programs may include, but are *not* limited to, enforcement; public service announcements promoting responsible drinking and driving practices; youth programs; education; and Alcoholic Beverage Control Board and administrative meetings.

(d) Sampling and Licensed Premise.

(1) Licensees desiring to have a promotional sampling on their premises *shall* clearly state and identify in the application the

type of liquor to be sampled, the date and hours the sampling is to take place, and the name of the person in charge of the sampling;

(2) Samples of alcoholic beverages will be limited to one (1) three (3)-ounce sample of each item per person. Distilled spirits will be limited to a single one (1)-ounce sample of each item per person;

(3) No minors or persons under the age of twenty-one (21) years shall be permitted to sample liquor;

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

(5) A copy of the approval license *shall* be posted in the vicinity of the sampling area; and

(6) Consumers (Tasters) *shall* remain within the designated "event room" and *not* be allowed to wander throughout the premise, and *shall not* be allowed to exit the premises with alcohol, liquor, wine, and/or beer."

Section 3. A new Subsection (a) is hereby added to § 3413 of Article 4, Title 11, Guam Code Annotated, to read:

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

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