Impact Analysis

04 NCAC 02S .0901 TASTINGS HELD BY RETAILERS FOR CONSUMERS

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Authority: G.S. 18B-100; 18B-207; 18B-1001(15); 18B-1001(18)

Impact Summary: State Government: No

Local Government: No

Substantial Economic Impact: No

The rule change is necessary to remove confusion that all tastings held on a retailer's premises require a tasting permit. On-premise permittees and wine shop permittees currently are not required to have a tasting permit.

There is no impact because the permittees that were required to get permits are already getting them and the permittees that were not required to get permits are not getting them. This only effects the amount of phone calls and emails received by the Commission asking for clarification, so there might be some small savings from staff having to answer less calls and emails.

APPENDIX

04 NCAC 02S .0901 is proposed for amendment as follows:

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- (a) General. A retail wine or malt beverage permittee may conduct tastings of wine or malt beverages for consumers. A tasting held on the retailer's premises requires a tasting permit. the appropriate permit. Any retailer conducting a wine or malt beverage tasting shall:
 - (1) Provide training to its employees conducting and supervising any tasting, including:
 - (A) identification of potential underage customers;
 - (B) recognition of fictitious identification;
 - (C) identification of potentially intoxicated customers; and
 - (D) service of correct sample sizes; and
 - (2) Prominently display in the area where the tasting is being conducted a sign informing customers that they must be 21 years of age to participate in the tasting.
- (b) Tastings Assisted by Industry Member. For the purposes of this Rule, "industry member" means any manufacturer, bottler, importer, vendor, representative or wholesaler of alcoholic beverages. An industry member may assist with wine or malt beverage tastings for consumers in conjunction with, or on the licensed premises of, a retailer provided that:
 - (1) The wine or malt beverage is taken directly from the retailer's existing inventory;
 - (2) The industry member makes no payment to or on behalf of the retailer for promoting or advertising the tasting;
 - (3) The retailer provides instruction to any participating industry member outlining how the tasting will be conducted prior to the tasting;
 - (4) The retailer designates one of its employees to supervise the tasting. The retail supervisor shall:
 - (A) be physically present, actively supervise and be readily available to any participating industry member at all times during the tasting;
 - (B) wear visible identification;
 - (C) physically check-in with any participating industry member at each tasting station at least once per hour;
 - (D) make a final determination on the eligibility of a consumer to participate in a tasting in the event such a question arises;
 - (E) maintain an accurate accounting of all wine or malt beverages purchased for and consumed at the tasting; and
 - (F) dispose of any opened wine or malt beverage containers remaining after the tasting, unless the remaining wine is retained by a wine shop permittee.

(c) Unlawful Inducements Prohibited. No industry member shall require a retailer, and no retailer shall require an industry member, to conduct a wine or malt beverage tasting.

History Note: Authority G.S. 18B-100; 18B-207; 18B-1001(15); 18B-1001(18);

Eff. January 1, 1982;

Amended Eff. November 1, 2012; January 1, 2011; May 1, 1984.