



Jeff Youtz  
Director

# Legislative Services Office Idaho State Legislature

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## MEMORANDUM

**TO:** Rules Review Subcommittee of the Senate State Affairs Committee and the House State Affairs Committee  
**FROM:** Deputy Division Manager - Eric Milstead  
**DATE:** July 15, 2014  
**SUBJECT:** Office of the Governor - Idaho State Liquor Division

IDAPA 15.10.01 - Rules Pertaining To The Rules of the Idaho State Liquor Division (Docket No. 15-1001-1401)

The Idaho State Liquor Division, Office of the Governor, has submitted temporary and proposed rule-making at IDAPA 15.10.01 - Rules of the Idaho State Liquor Division. The Division describes the temporary and proposed rule as clarifying "the ongoing authority for, and practice of, manufacturers of distilled spirits to provide limited retail sales of manufactured distilled spirits products to consumers in light of the new authority to offer sample tasting consumption on the premises of the distillery/distributing station."

We note that the temporary and proposed rule establishes a new term and definition for the term "Distillery Distributing Station." (Section 004.10.) The temporary and proposed rule also provides a section of rule governing "distillery distributing stations." (Section 012.) That new section governs "sample testing," which was authorized by the Legislature during the 2014 Legislative Session via Senate Bill 1335. That same new section also governs retail sales at "distillery distributing stations." (Section 012.02.)

Further, we find that the term "distillery distributing station" is not defined in Idaho Code nor does it appear in any other context in Idaho Code. Because the temporary and proposed rule establishes, defines and governs a new term that is not found in Idaho Code, it may be appropriate for the Legislature to consider authorizing that term in statute, if it wishes to do so.

The Division states that negotiated rulemaking was not conducted due to the passage of Senate Bill 1335 which permits manufacturers of distilled spirits to offer sample tastings in accordance with Idaho Code and that there exists a need for a temporary rule due to the fact that the new law took effect July 1, 2014. The Division does note, however, that "some informal communication and discussion will be advantageous to the Division and stakeholder manufacturers" and the Division anticipates that such discussion will take place.

cc: Office of the Governor - Idaho State Liquor Division  
Jeffrey R. Anderson