

**AGENDA  
BOARD MEETING  
WA STATE LIQUOR CONTROL BOARD  
Wednesday, November 18, 2009  
Headquarter Building  
3000 Pacific Ave, Olympia WA 98504**

**10:00 a.m.**

**Roll Call**

- 1. Employee Recognition.....Pat Kohler**
- 2. New Listings / Rejections.....Debi Besser**
- 3. Potential Size Extension.....Steve Burnell**
- 4. Tribal Workgroup Recommendations.....Rick Garza,  
Pat McLaughlin, Pat Kohler**
- 5. New Business.....Board Members**
- 6. Old Business.....Board Members**

**RECESS**

**11:00 a.m.**

- 7. Veteran's Day Program and Recognition.....John Lee, Dept. of  
Veteran's Affairs; Mario Duran, LCB DC Employee; Board Members**

**Adjourn**



**OFFICE OF THE  
WASHINGTON STATE LIQUOR CONTROL BOARD  
Board Meeting Minutes – November 18, 2009**

Board Chair Sharon Foster called the regular meeting of the Washington State Liquor Control Board to order at 10:00 a.m., on Wednesday, November 18, 2009 in the Boardroom, 3000 Pacific Avenue SE, Olympia, Washington. Board Member Ruthann Kurose was present.

**Employee Recognition**

New employees, retiring employees and those receiving recognition were introduced.

**Potential New Listings and Rejections – Debi Besser, Director of Purchasing**

Debi made recommendations as explained in the November 18, 2009 memo (see attachment). The Board members unanimously approved the recommendations.

**Potential Size Extension – Steve Burnell, Marketing Manager**

Steve made recommendations as explained in the November 18, 2009 memo (see attachment). The Board members unanimously approved the recommendations.

**Tribal Workgroup Recommendations – Pat Kohler, Rick Garza, Pat McLaughlin**

The workgroup's priorities and outcomes were reviewed. A Government-to-Government Consultation Policy has been created, which lays out how the LCB and Tribes communicate with each other. In accordance with the Centennial Accord and the New Millennium Agreement, these will determine how the two collaborate on liquor-related issues. The group has also developed an alternative liquor licensing model to address the unique needs of the Tribes. Additional work in this area continues as a long term solution is to revise the Master of Business license process.

In addition, the workgroup has created a liquor store notification process which will notify Tribes of potential new stores. The tribes will have time to respond with interest, or concerns, for a tribal store. A formal policy and process has been drafted. To assist with store siting issues, the group has worked with the Tribes and the Governor's Office of Indian Affairs in order to use current maps and identify tribal trust land and reservation land. This will allow the LCB to maintain a record, by using identifying zip codes, of Tribal Areas of Interest for potential interest in future liquor store operations.

The workgroup has discussed creating a Tribal Advisory Council (TAC) which will meet quarterly. The LCB will assist the Tribes with creating a charter, schedule of meetings and general topics for discussion. They also recommended that a representative from the Tribes should be appointed to the Business Advisory Council. In order to address deferring the potential for tax revenue sharing between the Tribes and the state a meeting will need to be set up with the Governor's office. The outcome of the workgroup meetings has provided increased communication and understanding on both sides. *see attachments*

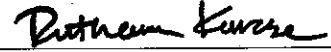
In observance of Veteran's Day, there was a recognition event held for LCB employee that had served, or were currently serving in the military. Mr. John Lee from the Washington Department of Veterans Affairs opened the event with a brief speech.

The Board Meeting was adjourned at 12:00 p.m.



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Sharon Foster  
Board Chair



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Ruthann Kurose  
Board Member

**WASHINGTON STATE LIQUOR CONTROL BOARD  
INTEROFFICE CORRESPONDENCE**

Date: November 18, 2009

To: Chairman Sharon Foster  
Board Member Ruthann Kurose

From: Debi Besser, Director of Purchasing

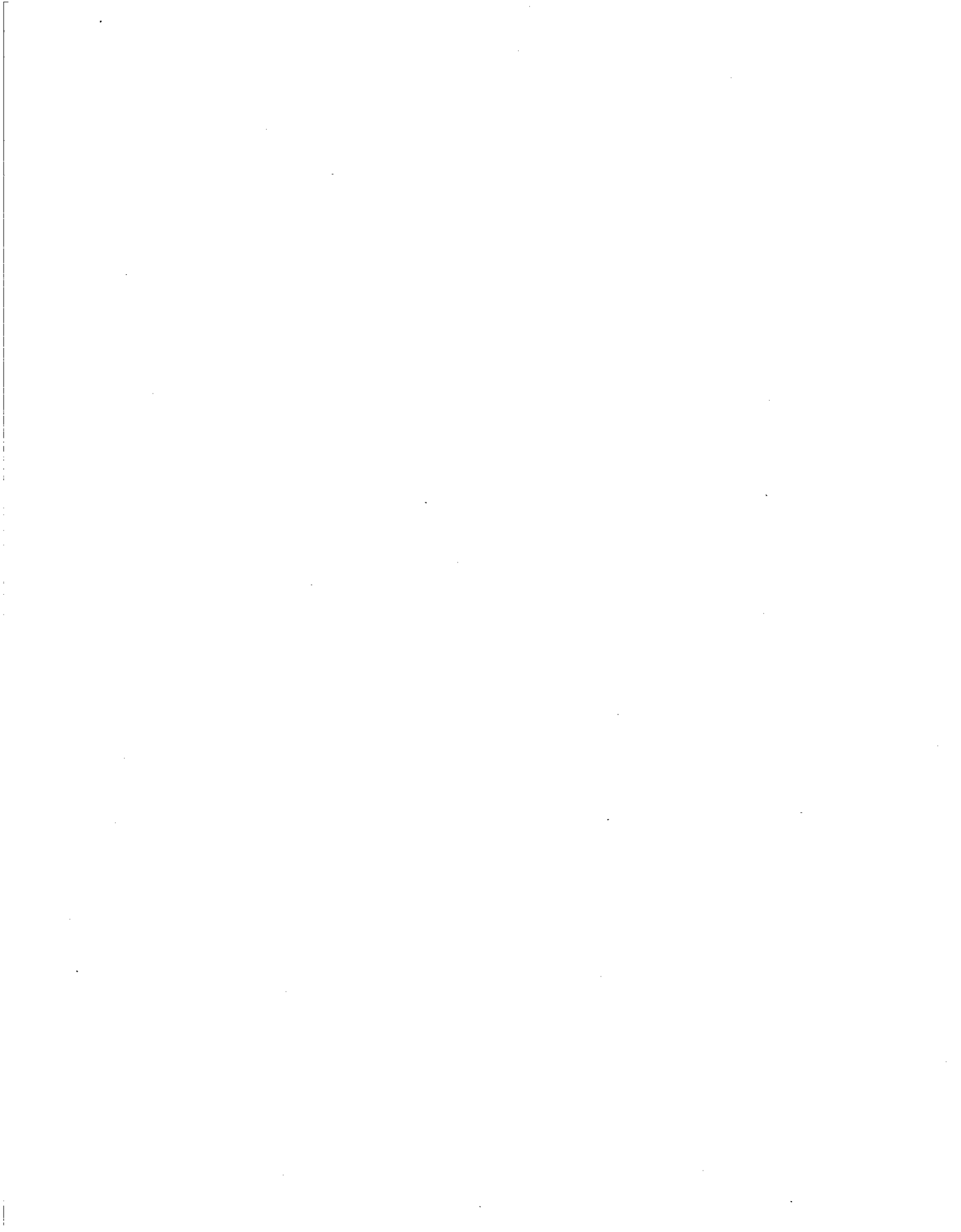
Subject: POTENTIAL NEW LISTINGS AND REJECTIONS

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In accordance with the criteria set forth in Agency Policy #915 Listing and Delisting Liquor Products, I recommend that the Board approve the following actions.

<u>Description</u>	<u>Recommendations</u>
8 Seconds 8 Year Canadian Whiskey, 750 ml (\$27.95)	List
Stolichnaya Gala Applik Vodka, 750 ml (\$24.95)	List
Domaine de Canton French Ginger Liqueur, 750 ml (\$31.99)	OTO (2 pallets)
Appleton Estate Reserve Rum, 750 ml (\$29.95)	List
The Macallan 10 Year Fine Oak Scotch Whisky, 750 ml (\$43.95)	List
The Macallan 15 Year Fine Oak Scotch Whisky, 750 ml (\$81.95)	List
Smirnoff Blue & Bold Dark Roasted Espresso Vodka, 750 ml (\$19.95)	List
Rhum Barbancourt Reserve Speciale Five Star Dark Rum, 750 ml (\$24.95)	List
Burnett's Pink Lemonade Flavored Vodka, 750 ml (\$12.45)	List
Burnett's Strawberry Flavored Vodka, 750 ml (\$12.45)	List
Cherry Jack Rum, 750 ml (\$12.95)	List
Coconut Jack Rum, 750 ml (\$12.95)	List
George Dickel Cascade Hollow Whiskey, 750 ml (\$15.95)	List
Crystal Head Vodka, 750 ml (\$53.95)	OTO (1,000 cases)
MiLi BiT Plum Brandy, 750 ml (\$48.45)	Reject
Zircon Azul Plata Tequila, 750 ml (\$39.90)	Reject
Zircon Azul Reposado Tequila, 750 ml (\$40.90)	Reject
Zircon Azul Gold Tequila, 750 ml (\$26.20)	Reject
Permafrost Alaskan Vodka, 750 ml (\$48.55)	Reject
Damrak Gin, 750 ml (\$29.99)	Reject
Bols Genever Liqueur, 750 ml (\$46.85)	Reject
Corazon Blanco Tequila, 750 ml (\$39.95)	Reject
Vignale Amaro S. Maria al Monte Liqueur, 1 Liter (\$43.25)	Reject
Bertagnolli Grappino Grappa, 1 Liter (\$35.65)	Reject
Casoni Limoncello Di Sorrento Liqueur, 750 ml (\$32.95)	Reject
Moletto Grappa Barbera Brandy, 750 ml (\$37.95)	Reject
Magellan Gin, 750 ml (\$33.95)	Reject
Tequila Semental Anejo, 750 ml (\$59.95)	Reject
Tequila Semental Reposado, 750 ml (\$54.95)	Reject
Tequila Semental Silver, 750 ml (\$52.95)	Reject
Szambelan Vodka, 750 ml (\$24.95)	Reject
Shakers Original American Rye Vodka, 750 ml (\$23.95)	Reject
Shakers Original American Wheat Vodka, 750 ml (\$23.95)	Reject
Burnett's Cranberry Flavored Vodka, 750 ml (\$12.45)	Reject

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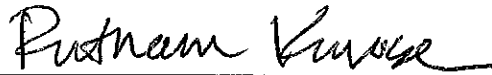


Page 2  
November 18, 2009  
Potential New Listings and Rejections

FOR BOARD CONCURRENCE: 11-18-09 DATE



Sharon Foster  
Chairman



Ruthann Kurose  
Board Member

ma

cc: Pat Kohler  
Pat McLaughlin  
John Redal  
Randy Simmons  
Steve Burnell  
Meagan Renick  
Kelly Higbee  
Cindy Doughty  
Robin Hall  
Kim Ward  
Casey Walker  
Lacinda Thomas  
Frances Munez-Carter  
Shayna Burmeister

**WASHINGTON STATE LIQUOR CONTROL BOARD  
INTEROFFICE CORRESPONDENCE**

Date: November 18, 2009  
 To: Chairman Sharon Foster  
 Board Member Ruthann Kurose  
 From: Debi Besser, Director of Purchasing  
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✓ The Macallan 10 Year Fine Oak Scotch Whisky, 750 ml (\$43.95)	List
✓ The Macallan 15 Year Fine Oak Scotch Whisky, 750 ml (\$81.95)	List
✓ Smirnoff Blue & Bold Dark Roasted Espresso Vodka, 750 ml (\$19.95)	List
Rhum Barbancourt Reserve Speciale Five Star Dark Rum, 750 ml (\$24.95)	List ?
Burnett's Pink Lemonade Flavored Vodka, 750 ml (\$12.45)	List
Burnett's Strawberry Flavored Vodka, 750 ml (\$12.45)	List
Cherry Jack Rum, 750 ml (\$12.95)	List
✓ Coconut Jack Rum, 750 ml (\$12.95)	List
George Dickel Cascade Hollow Whiskey, 750 ml (\$15.95)	List
Crystal Head Vodka, 750 ml (\$53.95) <i>final</i>	OTO (1,000 cases) <i>final</i>
MiLi BiT Plum Brandy, 750 ml (\$48.45)	Reject
Zircon Azul Plata Tequila, 750 ml (\$39.90)	Reject
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WASHINGTON STATE LIQUOR CONTROL BOARD

INTEROFFICE CORRESPONDENCE

November 18, 2009

To: Chairman Sharon Foster  
Board Member Ruthann Kurose

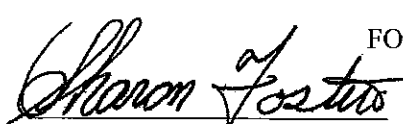
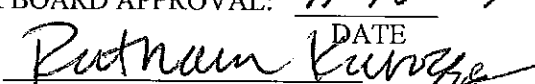
From: Steve Burnell, Marketing Manager

Subject: POTENTIAL SIZE EXTENSIONS

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In accordance with the criteria set forth in Agency Policy #915 Listing and Delisting Liquor Products. I recommend that the Board approve listing the following size extensions.

Requested Size Extensions	Size	Retail Price	Current Average Monthly Case Sales of the 750 ml Size	Current Monthly Gross Profit	Rank in Category
Sailor Jerry Spiced Navy Rum	375 ml	\$11.95	703	\$53,851	3

FOR BOARD APPROVAL: 11-18-09  
DATE  
 Sharon Foster  
Chairman  
 Ruthann Kurose  
Board Member

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cc: Pat Kohler  
Pat McLaughlin  
John Redal  
Randy Simmons  
Debi Besser  
Meagan Renick  
Kelly Higbee  
Cindy Doughty  
Robin Hall  
Kim Ward  
Casey Walker  
Lacinda Thomas  
Frances Munez-Carter  
Shayna Burmeister





## Washington State Liquor Control Board

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### Tribal Workgroup Recommendations – November 2009

The Liquor Control Board (LCB) and representatives for 14 federally recognized Tribes have met from April – November 2009 to discuss tribal issues related to liquor licensing and store allocation. Their efforts resulted in the following recommendations.

1. LCB should create a Government-to-Government Consultation Policy

This document will serve as the framework describing how the LCB and Tribes will communicate with each other to collaborate on liquor-related issues in accordance with the Centennial Accord and the New Millennium Agreement.

**OUTCOME: LCB Government-to-Government Consultation Board Policy**

2. LCB should develop an alternative liquor licensing model to address the unique needs of the Tribes

The current master business licensing process is cumbersome for tribes and does not address federal law exemptions from most state licensing and registration requirements.

*NOTE:* An issue discussed that should be addressed as a long term solution is to revise the Master Business License process and on-line form.

**OUTCOME: Licensing Memorandum of Agreement Template**

3. The LCB should create a liquor store notification process

The current liquor store siting process did not include a step to notify Tribes of potential new stores and thus allow them time to respond with any interest, or concerns, for a tribal store. Part of the challenge has been the difficulty for the LCB to know where all the tribal land is located.

**OUTCOMES: A formal store siting policy has been drafted outlining how store locations are selected based on market areas. A process has been incorporated into the policy which includes sending a notification letter to Tribes in affected areas.**

4. LCB should work with Tribes and the Governor's Office of Indian Affairs to identify tribal trust land and reservation land, current and any changes, to help with store siting issues.

The LCB has access to state maps which indicate Tribal reservation boundaries but the maps do not include other trust lands. The individual Tribes and Bureau of Indian Affairs have the knowledge of trust land owned and can help verify locations to assist the LCB with store siting and other similar communication.

**OUTCOME: The LCB will work with the Governor's Office of Indian Affairs to find current maps noting Indian trust land to help with notification of pending stores.**

**OUTCOME: The LCB will maintain a record of Tribal Areas of Interest (identified by zip code) where tribes have potential interest in future liquor store operations.**

5. LCB should create a Tribal Advisory Council comprised of representatives from all interested tribes to have scheduled meetings to promote good communication between the LCB and Tribes

The LCB should work with all interested Tribes to create a charter for the Council and determine participants, schedule of meetings, and general topics to be discussed.

**OUTCOME: A Tribal Advisory Council created that meets quarterly.**

6. LCB should add a Tribal member to the current Business Advisory Council (BAC)

The LCB has a Business Advisory Council that meets quarterly to discuss issues and concerns affecting the agency's business and regulatory activities. The Council is comprised of representatives from organizations that the LCB regulates.

**OUTCOME: The Tribe will select a representative to serve on the BAC.**

7. Defer the potential for tax revenue sharing between the Tribes and the state to a discussion with the Governor's office

Currently, each Tribe that operates a liquor store is allocated an annual tax exemption. This exemption only applies to Tribes with liquor stores.

**OUTCOME: A meeting should be scheduled with the Governor and her staff to discuss this issue.**

8. The intent of the work group was not to resolve individual Tribal issues and/or concerns. Based on the policies and guidelines developed in the workgroup it is recommended the LCB and interested Tribe(s) meet one-on-one to resolve any specific outstanding issues. Also it is further recommended that discussions, relationship building, and education continue at the quarterly tribal meetings.

**OUTCOME: Increased communication and ongoing dialogue.**



## AGENCY POLICY #680 Siting Liquor Stores

<p><b>Policy #:</b> 680</p> <p><b>Category:</b> Retail Services</p> <p><b>Purpose:</b> Sets forth expectations and the process which determines the locations for liquor stores.</p> <p><b>Applies to:</b> Business Enterprise Director's Office</p>	<p><b>Effective Date:</b> 11/18/09</p> <p><b>See Also:</b> Retail Division Policy #1001 – Store Leasing and Development</p> <p>Retail Division Procedure #1001A – Leasing Renewal</p> <p>Retail Division Procedure #1001B – Opening New Retail Store &amp; Relocating Existing State Stores</p>
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### POLICY STATEMENT

Washington State Liquor Control Board (WSLCB) strives to responsibly serve demand by maintaining reasonable customer travel efforts and ensuring liquor stores are operating at desired capacity levels.

When establishing a liquor store location, the WSLCB exercises exceptional use of the State's resources including money, personnel, and inventory. This is not to say that financial return is a justification by itself for making a store siting decision.

This document defines policy and describes roles associated with locating both existing and adding new liquor stores.

**1. The WSLCB, through the Business Enterprise, oversees retail operations for the sale of liquor as a primary component of a controlled distribution strategy.**

The WSLCB's role as a retailer is focused on public safety in the prevention of both youth access to alcohol and over-service. Through limited locations, limited hours, and responsible merchandising, a wide variety of alcohol is made available only to people of legal drinking age.

**2. The WSLCB provides the State's adult population of 21 years and older with reasonable access to liquor stores.**

Several factors of influence are considered when determining the need for a liquor store in a particular area including:

- Demographics of the surrounding market area.
- Anticipated impacts on surrounding liquor stores.
- Capacity of existing liquor stores in the market area.
- Customer travel effort within the market area.
- Available resources to serve the market area.

**3. The WSLCB uses a variety of Liquor store types to serve the different market areas across the State.**

There are four basic liquor store types in terms of operational responsibility; Contract, Military, State, and Tribal. Whereas the State liquor stores are staffed with State employees, the others are operated independently under contract. All are intended to responsibly serve their surrounding population of 21 years and older.

**4. The WSLCB seeks external comments before a liquor store location or type has been determined.**

Before a liquor store location or type has been determined, the Leasing Manager will provide written notification to local governments in the area surrounding prospective locations of liquor stores, as well as tribal governments and the Contract Managers Association Committee (CMAC). These entities will be given twenty (20) calendar days to express their concerns or interest in writing.

Prospective Tribal Areas of Interest will be determined by using a list of areas (by zip code) provided by the tribes to the LCB.

The WSCLB will work in good faith to adequately address any concerns or interest raised.

**5. The WSLCB exercises caution when determining the exact location of a liquor store.**

To aid in the prevention of illegal or irresponsible use of alcohol as well as to demonstrate respect for certain institutions and laws, liquor stores may be restricted from locating in specific areas. Therefore, liquor store location decisions will take into consideration their proximity to places including, but not limited to;

- Schools
- Places of worship
- Alcohol impact areas

## **RESPONSIBILITIES**

**Agency Administrative Director**

- Serve as final approving authority for all State store leases and Contract store manager assignments. Also serves as approving authority for Tribal agreements to be presented to the Board for consideration.

**Director of Business Enterprise**

- Serve as a preliminary approving authority for State store leases, Contract store manager assignments, and Tribal agreements. Review expressed concerns or interests raised by external stakeholders and facilitate appropriate action as necessary.

**Director of Retail**

- Seek external comments from local and tribal governments as well as Contract Managers Advisory Committee (CMAC) relative to the market area affected by the store location/type decision to be made. Review expressed concerns or interests and facilitate appropriate action. Escalate to the Director of Business Enterprise as necessary

**District Managers**

- Monitor capacity of liquor stores within assigned district; make recommendations to the Director of Retail regarding prospective new store types and locations.

**Leasing Manager**

- Monitor demographics of statewide market areas to identify and recommend store locations and types to the Director of Retail. Maintain Tribal Areas of Interest list (by zip code). Identify local and tribal governments as well as CMAC relative to the market area affected by the store location/type decision to be made.

**DEFINITIONS**

**Alcohol Impact Area:** An alcohol impact area (AIA) is a geographic region that has been identified by local governing bodies along with the WSLCB where specific alcohol products are banned from sale in an effort to reduce alcohol abuse.

**Contract Liquor Store:** A WSLCB recognized location operated by a private citizen who is authorized by contract to sell liquor by the bottle.

**Tribal Areas of Interest:** A record maintained by the LCB to keep track of tribal areas, by zip code, that have been identified by Tribes as areas of interest for potential liquor store operations.

**Military Liquor Store:** A WSLCB recognized location operated by the military that is authorized by contract to sell liquor by the bottle.

**State Liquor Store:** A WSLCB recognized location staffed with state employees who are authorized to sell liquor by the bottle.

**Tribal Liquor Store:** A WSLCB recognized location operated by a federally recognized Tribe who is authorized by contract to sell liquor by the bottle.

**RELEVANT LAWS AND OTHER RESOURCES**

RCW 66.08.050: Liquor Control Board – Power of board in general

RCW 66.08.060: Board cannot advertise liquor, exception — Advertising regulations

WAC 314-37-010: Liquor sales in Indian country – Appointment of tribal liquor vendors – Qualifications

LCB Store Location Notification Guidelines (attached)

**REVISION HISTORY**

11/18/09 original policy established.

**CONTACT**

For additional information about this policy, contact the Director of Business Enterprise.

**APPROVING AUTHORITY**

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Pat Kohler, Administrative Director  
Liquor Control Board

Date





## STORE LOCATION NOTIFICATION GUIDELINES

Washington State Liquor Control Board (WSLCB) strives to responsibly serve demand and promote public safety while maintaining reasonable customer travel efforts and ensuring liquor stores are operating at desired capacity levels.

The WSLCB values the communities in which we do business and the partners and stakeholders with whom we conduct business. This document outlines the guidelines for notifying local and tribal governments prior to the Board making liquor store location and type decisions.

### **1. Define the market area that the store location is intended to serve.**

When a need has been identified for the creation of a new liquor store or the relocation of an existing one, the intended market area will be defined. For the purposes of these guidelines, the market area is defined as the geographic area to be served by the store location. This may be expressed in terms of a radius area, community name, or other relevant means to identify the target customer base.

### **2. Identify governments and existing stores within the market area.**

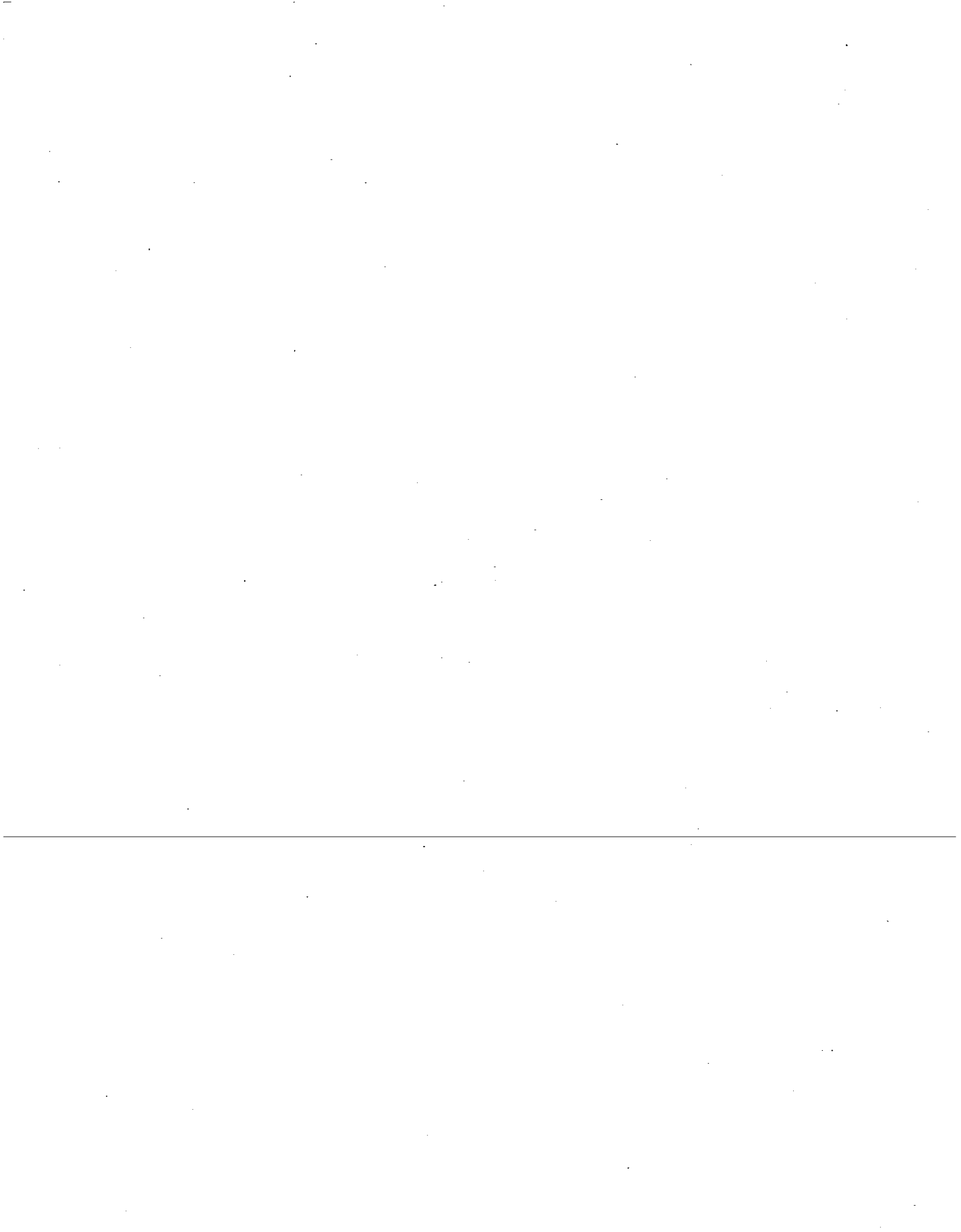
Once a market area has been defined, a careful review is conducted to identify any governments or existing stores within that same area. Sources of information for this review include referring to the Tribal Areas of Interest list (identified by zip code) provided by those tribes who have expressed an interest in those locations, tribal reservation maps from the Office of Indian Affairs, current Retail Store directory, and White Page listings for government offices.

### **3. Provide written notification to governments and existing liquor stores within the market area.**

Before a liquor store location or type has been determined, the Leasing Manager provides written notification to local governments, tribal governments, and contract liquor stores in the area surrounding the prospective location of a new liquor store. These entities are typically given twenty (20) calendar days to express their concerns or interest in writing.

### **4. Work in good faith to adequately address any concerns or interest raised.**

The Retail Division gives due consideration to any concerns or interest brought forward from local governments, tribal governments, and contract liquor stores in the area surrounding the prospective location of a new liquor store. Information received during the response period is evaluated to determine the appropriate determination of store location and type.





## Washington State Liquor Control Board

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### Government-to-Government Consultation Board Policy #11-2009

#### PURPOSE

The Centennial Accord and New Millennium Agreement establish a framework to support the development of strong government-to-government relationships between state agencies and federally recognized Indian Tribes. A key element of both the Centennial Accord and the New Millennium Agreement is the parties' commitment to develop clear policies to ensure cooperation and communication on issues of mutual concern and interest. The optimal goal of government-to-government consultation is to create a framework under which individual Tribes and tribal entities and the Liquor Control Board (LCB) can actively engage in identifying, consulting about, and addressing issues of mutual concern.

The LCB is committed to work cooperatively with Tribes and tribal entities on licensing, enforcement, and taxation issues in a manner that respects the sovereignty of each party. Further, the LCB will make every effort to allow any Tribe interested in owning and operating a tribal liquor store to do so, and where appropriate to public safety, the LCB will make every effort to allow an interested Tribe to operate multiple stores. For any Tribe not owning or operating its own store, the LCB will make every effort to provide an alternative agreement to allow the Tribe to supply its own tribal licensees and capture its tribal member tax exemption. The LCB will make every effort to negotiate in good faith a Tribal Vendor Agreement and/or Tribal Alcohol Agreement with an interested Tribe, and to consult and resolve in good faith taxation issues within the Board's jurisdiction.

Nothing in this policy is meant to discourage early and/or informal information sharing and other communications on topics that facilitate intergovernmental relationships. Ideally, regular ongoing communications will simply evolve into more formal consultation as necessary, shifting back to a less formal style once consultation on a particular action or topic is complete.

#### DEFINITIONS

**Collaboration:** To work together, in an intellectual effort.

**Consultation:** An enhanced form of communication which emphasizes trust, respect, and shared responsibility. It is an open and free exchange of information and opinion among parties, which leads to mutual understanding and comprehension. Consultation is integral to a deliberative process which results in effective collaboration and informed decision-making.

**Government-to-Government Relationship:** The relationship that exists between federally recognized tribes and the state government. Implicit in the relationship is a recognition of tribal sovereignty as individual nations within the United States and the United States government's obligation to protect tribal lands.

**License Issuance or Renewal:** The process by which the LCB issues, renews, or denies a liquor license. The process includes "notice to local authorities including tribal governments," prompting them to comment on, or object to, the issuance or renewal of a liquor license.

**Indian Country:** As defined by federal law, Indian Country includes all land within the limits of any Indian reservation or trust lands under the jurisdiction of the U.S. government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation. In addition, Indian Country also includes all dependent Indian communities as well as all Indian allotments to which Indian titles have not been extinguished and lands held in trust for the benefit of a Tribe by the United States.

**Tribal Alcohol Agreement:** A signed government-to-government agreement entered into by a Tribe and the LCB that provides tax exemptions based on tribal membership for the purchase and sale of spirituous liquor in accordance with tribal, state and federal laws.

**Tribal Vendor Agreement:** A signed government-to-government agreement entered into by a Tribe and the LCB to provide for off-premise retail purchase and sale of spirituous liquor on tribal lands in accordance with tribal, state, and federal laws.

**Sovereignty:** The status, dominion, rule or power of a sovereign. Tribes have the power to make and enforce laws for their Tribe and within their jurisdiction and to establish courts and other forums for resolution of disputes.

## **BACKGROUND**

The Liquor Control Board (LCB) is an executive agency under the Governor which was formed in 1933 by the Steele Act to regulate the importation, manufacture, distribution, and sale of alcohol. The 21<sup>st</sup> Amendment to the U.S. Constitution, which repealed Prohibition, gave states the right to regulate alcohol as they saw fit. Many states, including Washington, adopted control systems creating a state monopoly on the sale of some, or all, alcoholic beverages in an attempt to ensure higher levels of public safety and controlled distribution. The LCB uses the following control state principles when making decisions about licensing and allocating liquor stores:

- Limited number of stores
- Limited store hours
- Higher prices produce lower consumption
- Enforcement and licensing are coordinated
- No employee incentive to sell
- Advertising is prohibited
- More revenue returned to state

The Liquor Control Board's mission is to *"contribute to the safety and financial stability of our communities by ensuring the responsible sale, and preventing the misuse of, alcohol and tobacco."* The LCB's programs include licensing; enforcement and education; product and retail sales.

There are 29 federally recognized Indian Tribes within the State of Washington. Each Tribe has inherent sovereign authority as a government and each has interests and responsibilities related to preventing the misuse of alcohol in Indian Country, controlling the use and sales of these products in Indian Country, and ensuring the safety of its members and others in Indian Country. Each Tribe has authority to adopt tribal laws and regulations to regulate the use and sale of alcohol on tribal lands.

In 2009, the LCB and representatives for 14 Tribes held several meetings to discuss tribal issues such as licensing; liquor store siting and allocation; and cost models for state, contract, and tribal liquor stores. The meetings were used to identify core tribal concerns and build a foundation for how the LCB would collaborate with the Tribes on future issues. This government-to-government consultation policy is a result of the meetings and sets the framework for how the LCB will consult with the Tribes on liquor and licensing related issues.

### **COMMITMENT TO CENTENNIAL ACCORD PRINCIPLES**

The LCB is fully committed to the principals of consultation and cooperation memorialized in the Centennial Accord. The sovereign status of Tribes and the complex nature of jurisdictional issues regarding Indian Country require a sound working relationship between Tribes and the State. The LCB acknowledges that implementation of the Centennial Accord is an on going process and pledges to work on a day-to-day basis to foster our government-to-government relationship with individual Tribes.

In order to continue the dialogue created through the Centennial Accord and the New Millennium Agreement on issues of mutual concern related to the sale and regulation of alcohol in Washington, the LCB will work with Tribes to establish a calendar of regular consultation meetings in order to establish opportunities to meet and consult on issues of mutual concern affecting the use and sales of alcohol.

### **CONSULTATION**

The LCB is committed to consulting with Tribes on licensing and store siting issues within the jurisdiction of the Board that affect our respective governments. The agency's goal is to provide early notification regarding issues pertaining to licensing or store siting and an open invitation for consultation on all decisions that may affect tribal rights and interests. Consultation with tribal governments will occur independent of any public participation process but representatives of tribal governments and tribal members have equal access to the agency's public participation processes as well.

The LCB will work with Tribes to establish regular meetings held at least quarterly to discuss issues and concerns about the alcohol regulation and policy within Washington. The agenda for the meeting will be set by agreement between the LCB and interested Tribes. LCB staff will facilitate the setting of agendas.

### **TRIBAL VENDOR AGREEMENTS**

A Tribal Vendor Agreement (TVA) is the mechanism utilized for the retail sale of spirituous liquor on tribal lands for off-premises consumption. A TVA is a negotiated agreement between a Tribe with the LCB staff that is particular to conditions and circumstances of the Tribe, its members, lands, and community.

The LCB will negotiate in good faith towards a TVA when a Tribe contacts the LCB's Business Enterprise Division.

The scope of a TVA may include all topics relevant to the retail sales of spirituous liquor for off-premises consumption.

### **TRIBAL ALCOHOL AGREEMENTS**

A Tribal Alcohol Agreement (TAA) is the mechanism utilized for retail sale of spirituous liquor on tribal lands by the Tribe to a tribal licensee and to provide a Tribe without a liquor store to capture the tribal member tax exemption. A TAA is a negotiated agreement between a Tribe

with the LCB that is particular to conditions and circumstances of the Tribe, its members, lands, and community.

The LCB will negotiate in a good faith towards a TAA when a Tribe contacts the LCB's Business Enterprise Division.

**LICENSING OF TRIBAL ON/OFF-PREMISES SALES IN INDIAN COUNTRY**

The LCB will negotiate with interested Tribes for a memorandum of agreement that will be utilized for regulating the sale and service of alcohol in Indian Country.

**DISPUTE RESOLUTION PROCESS**

The LCB and its staff shall immediately bring tribal disputes to the attention of the Administrative Director. Specific issues are routinely routed to the Tribal Liaison for mediation coordination and facilitation as necessary. The LCB is committed to resolving disputes in a manner that is respectful of the sovereign authority of Tribes.

**APPROVAL**

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Sharon Foster, LCB Chairman of Board

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Pat Kohler, LCB Administrative Director

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Ruthann Kurose, LCB Board Member

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