

**OFFICE OF THE
WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting /Wednesday, September 24, 2008**

Board Chairman Lorraine Lee called the regular meeting of the Washington State Liquor Control Board (LCB) to order at 10:00 am, on Wednesday, September 24, 2008 in the boardroom, 3000 Pacific Avenue S.E., Olympia, Washington. Board Member Roger Hoen and Board Member Ruthann Kurose were present.

Meeting Minutes – The Board unanimously approved the minutes from the meetings dated August 27, 2008 and September 17, 2008.

Director's Office – Karen McCall, LCB Rules Coordinator, requested to proceed with CR (103) adoption of rules on Special Orders of Liquor from the Board, dated September 24, 2008 (attached). Debi Besser, Director of Purchasing Services, noted that there had been no changes or additional comment since the public hearing on September 10, 2008. Chairman Lee asked that the Board would like more explanation of the reasoning with the comment on page two regarding online ordering with the requirement for pick up at a store. In addition, the other comments which are not related to the rule change should be followed up, on an as needed basis.

Board Member Roger Hoen moved for approval. Board Member Ruthann Kurose seconded the motion, and it passed unanimously.

Rules on Cigarette Sampling and Official Documents Showing Proof of Age to Purchase Tobacco Products dated September 24, 2008. Tim Thompson, Manager of the Tobacco Tax Program, covered the Issue Paper (attached) and the written comments received. He noted that the Liquor Control Board (LCB) will notify the Department of Health (DOH) when we are informed about samplings to take place. Chairman Lee asked that the records be updated to reflect the adoption of a stakeholder comment to change wording to match the language of the rule.

Board Member Ruthann Kurose moved for approval. Board Member Roger Hoen seconded the motion, and it passed unanimously.

Licensing Division – Alan Rathbun, Licensing Director, introduced the topic of the Seattle Alcohol Impact Area (AIA) banned products list. The documents before the board included an Issue Paper dated September 24, 2008 and a spreadsheet provided by the city of Seattle detailing the results of litter pickup. He noted that at the public meeting in August an additional product, Big Bear, was raised as a problem and added to the list. Licensees were then notified. In reviewing the spreadsheet, some items did not show enough quantity in the litter pick up to warrant adding to the banned product list. The city of Seattle was asked for more data or affirmations, and has requested more time to provide documentation.

Chairman Lee commented that the Issue Paper was very thorough and asked if there had been any response related to the product Big Bear. There had not. The only comment which arrived was a supporting note from another community group. Director Rathbun stated that the resolution for consideration is an addendum to the earlier one for the

Seattle AIA. At his suggestion, the Board will develop a numbering system for resolutions for filing purposes.

Kimberly Archie, representing the city of Seattle, explained that they were in the process of gathering testimony from the police officers working in the AIAs. In light of the analysis of litter pickup, the city will reevaluate Sparks and Tilt as to whether to delete from the list, and would like the Board to delay its decision on those products. They are working with distributors on a voluntary ban of singles sales during certain hours.

Board Member Kurose thanked the city for its coordination on the August public meeting and stated that our ban had to be defensible. There was general agreement that removing a product from the list doesn't require notification to licensees, but adding a product would require the process to begin again. The Board cautioned that, in the case of trying to encourage a voluntary approach to bans such as the single container, the licensees as well as the distributors would need to agree.

Chairman Lee asked how much time was needed to gather the additional data. Ms. Archie replied two to three weeks. Board Member Ruthann Kurose moved to delay the decision on adding products to the Seattle AIA banned products list. Board Member Roger Hoen seconded the motion, and it passed unanimously.

Director's Office – Karen McCall, LCB Rules Coordinator, presented the 2009 Agency Request Legislation: Tobacco Licensing and Nightclub Licensing legislative proposals (see attached) were covered in an issue paper dated September 24, 2008.

The Nightclub Licensing Bill is something the Agency has worked to get passed in prior years. Ms. McCall covered the points of the legislation and the written comments that had come in. Chairman Lee invited Michael Transue of the Washington Restaurant Association (WRA) to comment for the association. The WRA supports this proposed legislation.

There was some discussion of whether or not to change the phrase "adequately served." Deputy Administrative Director Rick Garza recommended moving forward without the language change and consider adding that adjustment as the bill moved through the legislative process. Board Member Hoen asked if an increase in staffing was conditional on WRA approval of this bill. Deputy Administrative Director Garza observed that there was an indirect tie to our request to the Office of Financial Management (OFM) to fund more LEOs currently built into the Enforcement Division Decision Package. If that was not successful, we would have to write a new fiscal note. This license is seen as mandatory. There is no fiscal impact because there is no increase in licensing.

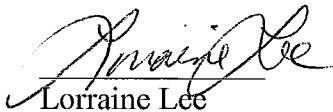
Chairman Lee asked that the explanations be put in writing, especially on why the cap was being removed. Deputy Administrative Director Garza added that Licensing Director Alan Rathbun is working on criteria for "adequately served." The Board approved moving forward with both legislative proposals and submitting them to the Governor's Office for approval.

Enforcement Division Recognition – Director Pat Parmer introduced Karena Kirkendoll, the new Hearing Officer. Lieutenant Kent Williams from the Pasco Enforcement Office was sworn in with a promotion from Sergeant. New LEOs sworn in:

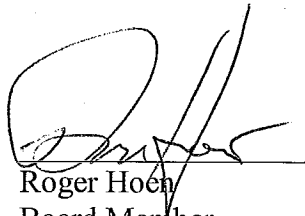
Jeremy Wissing, Emma Davis, Caine Hilario, Marlena Rodríguez, Joshua Bolender, and Valirie Johnson

This meeting was audio-taped.

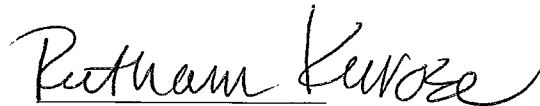
The Meeting adjourned at 11:55 am.



Lorraine Lee
Chairman



Roger Hoehn
Board Member



Ruthann Kurose
Board Member

