



Washington State Liquor Cannabis Board Meeting

Wednesday, March 22, 2017, 10:00 a.m.
LCB Headquarters - Boardroom
3000 Pacific Avenue SE, Olympia WA 98501

Meeting Minutes

1. CALL TO ORDER

Chair Jane Rushford called the regular meeting of the Washington State Liquor and Cannabis Board to order at 10:00 a.m. on Wednesday, Date, 2017. Member Ollie Garrett and Member Hauge were also present.

2. APPROVAL OF MEETING MINUTES

MOTION: Member Hauge moved to approve the March 8, 2017, meeting minutes.

SECOND: Member Garrett seconded.

ACTION: Minutes approved

3. PUBLIC HEARINGS

PUBLIC HEARING 3A - Public Hearing on Rules to Implement 2016 Liquor Legislation

Karen McCall, Agency Rules Coordinator, began the briefing with materials (HANDOUTS 3A 1-5). She provided background noting new rules and revisions to current rules are needed to implement the following legislation that passed during the 2016 legislative session:

- SHB 2831 Creates a wine retailer reseller endorsement for qualifying beer and/or wine specialty shop licenses
- HB 2605 Creates a special permit for breweries to conduct 12 private tasting and sales events per year
- ESSB 6470 Allows domestic wineries to sell their own product at Special Occasion licensed events; Creates a special permit to allow an individual or business to sell a private collection of wine or spirits to another individual or business

Chair Rushford opened the public hearing and invited the first citizen to the podium to provide testimony.

No one came forward for comment.

4. ACTION ITEMS (A-B)

ACTION ITEM 4A - Board Approval of (Supplemental CR 102) for Rules Review of Chapters 314-02, 314-07, 314-11, and 314-12

Karen McCall, Sr. Agency Rules Coordinator, began the briefing with materials (HANDOUT(S) 3A 1-#). She provided background noting as part of the Liquor and Cannabis Board's on-going rules review process, rules in the following WAC Chapters are being reviewed for relevance, clarity, and accuracy:

- Chapter 314-02 Requirements for retail liquor licenses.
- Chapter 314-07 How to apply for a liquor license.
- Chapter 314-11 General requirements for licensees.
- Chapter 314-12 General – Applicable to all licensees.

Timeline

April 5, 2017	Code Reviser publishes notice, LCB sends notice to rules distribution list
May 3, 2017	Public Hearing held
May 3, 2017	End of written comment period
May 17, 2017	Board is asked to adopt rules
May 17, 2017	Agency sends notice to those who commented both at the public hearing and in writing.
May 17, 2017	Agency files adopted rules with the Code Reviser (CR 103)
June 17, 2017	Rules are effective (31 days after filing)

Ms. McCall then requested approval from the Board to file proposed rules.

MOTION: Member Garrett moved to approve the filing of proposed rules (CR 102) for Rules Review of Chapters 314-02, 314-07, 314-11, and 314-12.

SECOND: Member Hauge seconded.

ACTION: Motion passed unanimously.

ACTION ITEM 3B - Board Approval of (CR 101) for Stakeholder Petition for Rulemaking on Club Membership Drives – WAC 314-40-040

Karen McCall, Sr. Agency Rules Coordinator, began the briefing with materials (HANDOUTS 4B 1-2). A petition for rulemaking was submitted by the Aberdeen Elks Lodge #593 to revise WAC 314-40-040. They are requesting the board increase the number of membership drives a private club may hold from 2 to 12 per calendar year. The current rule allows a private club to hold two membership functions per calendar year to recruit new members:

- WAC 314-40-040 (6) In order to recruit new members and build club membership, a private club may hold a public membership function for two days per calendar year where club liquor may be given or sold to those attending as a part of the membership drive activities. The function must be advertised as a membership drive. Membership drives may not be held on consecutive days.

The private club may sell or give club liquor for free to those attending the membership drive event.

Background

In addition to membership drives, a private club's auxiliary qualifies for special occasion licenses as an avenue to make money for the non-profit.

Recommendation

Staff recommends opening rulemaking on this issue by filing a pre-proposal statement of inquiry (CR 101) to revise WAC 314-40-040.

Ms. McCall then requested approval from the Board.

MOTION: Member Garrett moved to approve Petition for Rulemaking on Club Membership Drives – WAC 314-40-040

SECOND: Member Hauge seconded.

ACTION: Motion passed unanimously.

7. GENERAL PUBLIC COMMENT

Chair Rushford invited citizens to address the Board regarding any issues related to LCB business.

Cindy Zehnder- Total Wine

Ms. Zehnder stated that they appreciate and support the changes made in supplemental CR 102 for Rules Review of Chapters 314-02, 314-07, 314-11, and 314-12.


Two other individuals signed in but decided not to address the Board.


ADJOURN

Chair Rushford adjourned the meeting at 10:08.

Minutes approved this 5th day of April, 2017


Jane Rushford
Board Chair


Ollie Garrett
Board Member


Russ Hauge
Board Member

Minutes prepared by Lisa Faker, Executive Assistant to the Board

LCB Mission - Promote public safety and trust through fair administration and enforcement of liquor, tobacco and marijuana laws.

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For questions about agendas or meeting materials you may email lisa.faker@lcb.wa.gov or call 360.664.1717