

Attachment: Issue Paper

Washington State Liquor and Cannabis Board

Issue Paper

Food Service Requirements for Spirits, Beer, and Wine Restaurant

Date: June 13, 2018

Presented by: Karen McCall, Agency Rules Coordinator

Description of the Issue

The purpose of this Issue Paper is to request the board approve the final rules (CR 103) to revise WAC 314-02-035.

Why is rule making necessary?

Rulemaking is necessary to align meal requirements for spirits, beer, and wine restaurants with current business models and to include culturally diverse meal examples.

Public Comment:

No comments were received at the public hearing on May 30, 2018. One written comment was received.

Zachary Lindahl – Washington Hospitality Association

Support the revision to the food service requirements for spirits, beer, and wine restaurants. Would like to see “hotdog” added as an entrée. Would also like to see “soup” added as an entrée and not a side dish.

LCB response: Sandwiches are listed as an example of an entrée. Hotdogs are considered as sandwich. Soup is not considered an entrée.

What changes are being made?

Amended Section: WAC 314-02-035 Food service requirements for spirits, beer, and wine restaurants. Amended language to add culturally diverse examples of entrees and make side dishes optional, but available should the customer choose to order one.

WAC 314-02-035 What are the food service requirements for a spirits, beer, and wine restaurant license? (1) A spirits, beer, and wine restaurant licensee must serve at least eight complete meals. The board may make an exception to the eight complete meal requirement on a case-by-case basis. Establishments shall be maintained in a substantial manner as a place for preparing, cooking and serving of complete meals. For purposes of this title:

(a) "Complete meal" means an entree and at least one side dish. Side dishes are not required to be included with the entrée, however must be offered.

(b) "Entree" means the main course of a meal. Some examples of entrees are fish, steak, chicken, pork, pasta, pizza, (~~hamburgers~~) burgers, pho, sushi, street tacos, tikka masala, quiche, seafood salad, Cobb salad, chef's salad, sandwiches, and breakfast items (as long as they include a side dish). Entrees do not include snack items, or menu items which consist solely of precooked frozen food that is reheated, or consist solely of carry-out items obtained from another business.

(c) Examples of side dishes are soups, vegetables, salads, potatoes, (~~french fries,~~) rice, fruit, and bread. Garnishes such as, but not limited to, pickles, salsa, and dips do not qualify as a side dish.

(2) The restaurant must maintain the kitchen equipment necessary to prepare the complete meals required under this section.

(3) The complete meals must be prepared on the restaurant premises.

(4) A chef or cook must be on duty while complete meals are offered.

(5) A menu must be available to customers.

(6) The food items required to maintain the menu must be on the restaurant premises. These items must be edible.

(7) Restaurants that have one hundred percent dedicated dining area must maintain complete meal service any time liquor is available for sale, service, or consumption.

(8) Restaurants with less than one hundred percent dedicated dining area must maintain complete meal service for a minimum of five hours a day during the hours of 8:00 a.m. and 11:00 p.m., three days a week.

Limited food service, such as appetizers, sandwiches, salads, soups, pizza, (~~hamburgers~~) burgers, or fry orders, must be available outside of these hours. Snacks such as peanuts, popcorn, and chips do not qualify as limited food service.

(9) The hours of complete meal service must be conspicuously posted on the premises or listed on the menu. A statement that limited food service is available outside of those hours must also be posted or listed on the menu.

Issue Paper

Curbside Service for Liquor Licensed Retailers

Date: May 2, 2018

Presented by: Karen McCall, Agency Rules Coordinator

Description of the Issue

The purpose of this Issue Paper is to request approval from the board to file proposed rules (CR 102) to allow liquor licensed retailers to provide curbside service when customers are picking up products ordered through online ordering and pickup programs.

Why is rule making necessary?

A petition for rulemaking was submitted by Deborah Herron, Walmart's Director of Public Affairs and State & Local Government. Walmart requested the Board open rulemaking to allow liquor licensed retailers to provide curbside service for customers participating in online ordering and pickup.

Background

Online programs allow customers to choose and order groceries online and pick them up curbside at the liquor licensed retail location.

Permanent rules are needed to allow liquor licensed retailers to provide curbside service and ensure that retailers and customers have parameters in place for this service.

What changes are being made?

Amended Section: WAC 314-11-015 What are my responsibilities as a liquor licensee? Amended language removes the prohibition on curbside service.

New Section: WAC 314-03-400 Curbside Service Outlines requirements for liquor licensed grocery stores that provide curbside service.

WAC 314-11-015 What are my responsibilities as a liquor licensee? (1)(a) Liquor licensees are responsible for the operation of their licensed premises in compliance with the liquor laws and rules of the board (Title 66 RCW and Title 314 WAC). Any violations committed or permitted by employees will be treated by the board as violations committed or permitted by the licensee.

(b) The penalties for violations of liquor laws or rules are in: WAC 314-29-015 through 314-29-035, as now or hereafter amended, for licensees; and WAC 314-17-105 and 314-17-110, as now or hereafter amended, for employees who hold mandatory alcohol server training permits. These rules also outline aggravating and mitigating circumstances that may affect what penalty is applied if a licensee or employee violates a liquor law or rule.

(2) Licensees and their employees also have the responsibility to conduct the licensed premises in compliance with the following laws, as they now exist or may later be amended:

((■)) • Titles 9 and 9A RCW, the criminal code laws;

((■)) • Title 69 RCW, which outlines the laws regarding controlled substances; and

((■)) • Titles 70.155, 82.24 RCW, and RCW 26.28.080 which outline laws regarding tobacco.

(3) Licensees have the responsibility to control their conduct and the conduct of employees and patrons on the premises at all times. Except as otherwise provided by law, licensees or employees may not:

(a) Be disorderly or apparently intoxicated on the licensed premises;

(b) Permit any disorderly person to remain on the licensed premises;

(c) Engage in or allow behavior that provokes conduct which presents a threat to public safety;

(d) Consume liquor of any kind while working on the licensed premises; except that:

(i) Entertainers per WAC 314-02-010 may drink while performing under the following conditions:

(A) Alcohol service must be monitored by MAST servers;

(B) Drinks must be served in unlabeled containers;

(C) Entertainers may not advertise any alcohol brands or products;

(D) Entertainers may not promote drink specials; and

(E) If any member of the entertainment group is under twenty-one years of age, alcohol may not be consumed by any member of the group while performing.

(ii) Licensed beer manufacturers and their employees may sample beer of their own manufacture for manufacturing, evaluating or pricing product in areas where the public is not served, so long as the licensee or employee does not become apparently intoxicated;

(iii) Licensed wine manufacturers and their employees may:

(A) Sample wine for manufacturing, evaluating, or pricing product, so long as the licensee or employee does not become apparently intoxicated; and the licensee or employee who is sampling for these purposes is not also engaged in serving alcohol to the public; and

(B) Sample wine of their own manufacture for quality control or consumer education purposes, so long as the licensee or employee does not become apparently intoxicated.

(e) Engage in, or permit any employee or other person to engage in, conduct on the licensed premises which is prohibited by any portion of Titles 9, 9A, or 69 RCW;

(f) Engage in or permit any employee or other person to engage in the consumption of any type of marijuana, usable marijuana, or marijuana-infused products in a liquor licensed business, including outdoor service areas or any part of the property owned or controlled by the licensee;

(g) Permit any person consuming, or who has consumed within the licensed premises, any type of marijuana, usable marijuana, or marijuana-infused products to remain on any part of the licensed premises; or

(h) Sell or serve liquor by means of "drive-in(~~"or by"~~curb service).

(4) Licensees have the responsibility to control the interaction between the licensee or employee and their patrons. At a minimum, licensees or employees may not:

(a) Solicit any patron to purchase any beverage for the licensee or employee, or allow a person to remain on the premises for such purpose;

(b) Spend time or dance with, or permit any person to spend time or dance with, any patron for direct or indirect compensation by a patron.

((~~e~~)) See WAC 314-11-050 for further guidelines on prohibited conduct.

NEW SECTION

WAC 314-03-400 Curbside service. (1) Liquor licensed grocery stores that may or may not hold a spirits retailer license may provide curbside service to customers who order groceries online and pick them up in designated pick up areas outside of the grocery store. Drive through service is prohibited.

(2) Curbside pickup of groceries that include spirits, beer, and wine are allowed under the following conditions:

(a) Store employees must verify ID at pickup;

(b) If ID cannot be verified, or if the driver appears intoxicated, all alcohol will be removed from the order and the customer will not be charged for any removed products.