

**OFFICE OF THE
WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting Minutes– December 17, 2008**

Board Member Roger Hoen called the regular meeting of the Washington State Liquor Control Board to order at 8:40 am, on Wednesday, December 17, 2008 in the boardroom, 3000 Pacific Avenue SE, Olympia, Washington. Board Chairman Lorraine Lee was present and Board Member Ruthann Kurose was present via conference call.

Board approval on Rulemaking – Filing CR103, presented by Karen McCall

Restaurant Retail Activities and Storage, under a Caterer's Endorsement presented by Karen McCall.

(Attachments include: Approval of final rulemaking document, Issue Paper, Notice of Proposed Rule Making #08-17, WAC Changes, and Stakeholder Summary)

- Karen summarized stakeholder feedback:

Michael Transue of the WA. Restaurant Association suggested that consistent phrasing in **Section 314-02-061(3)(b)** be consistent with **314-02-061(3)(a)** and **(4)**; pluralize "event" to "events". The suggested change is included.

The Board unanimously approved the final rulemaking on rules necessary to implement legislation regarding retail regulations.

Nonprofit Organization and Business Practices presented by Karen McCall

(Attachments include: Approval of final rulemaking document, Issue Paper, Notice of Proposed Rule Making #08-18, WAC Changes, and Stakeholder Summary)

- Karen summarized stakeholder feedback:

Jean Leonard of WA. Wine Institute takes issue with terminology, "may qualify" In this case, 'may' should be changed to "not prohibited" in accordance with statute. **Section 314-05-020(5)**. The suggested change is included.

The Board unanimously approved the final rulemaking on rules necessary to implement legislation regarding non-profit organization and business practices.

Legislation for Breweries and Microbreweries presented by Karen McCall

(Attachments include: Approval of final rulemaking document, Issue Paper, Notice of Proposed Rule Making #08-21, WAC Changes, and Stakeholder Summary)

- No new stakeholder comments have been received on this topic.

The Board unanimously approved the final rulemaking on rules necessary to implement legislation for Breweries and Microbreweries.

Legislation for Winery Regulations presented by Karen McCall

(Attachments include: Approval of final rulemaking document, Issue Paper, Notice of Proposed Rule Making #08-19, WAC Changes, and Stakeholder Summary)

- Karen summarized stakeholder feedback:

- Jean Leonard from WA. Wine Institute raised concern regarding **Section 314-24-161(2)**; “a track of land set aside for alcohol consumption” Her perspective is that this area would not necessarily be an exclusive area for alcohol. The suggested change is included.

The Board unanimously approved the final rulemaking on rules necessary to implement legislation for Breweries and Microbreweries.

Legislation for Craft Distilleries presented by Karen McCall

(Attachments include: Approval of final rulemaking document, Issue Paper, Notice of Proposed Rule Making #08-20, WAC Changes, and Stakeholder Summary)

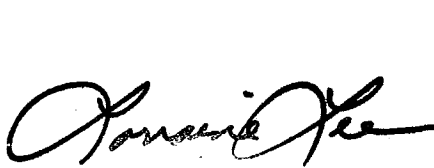
- No new stakeholder comments have been received on this topic.

The Board unanimously approved the final rulemaking on rules necessary to implement legislation for Craft Distilleries.

Purchasing Division – Listings, Delisting, Rejections, and One-Time-Only Listings

- Potential New Listings / Rejections – (see attached memo dated December 17, 2008) Debi Besser, Purchasing Director, made recommendations as explained in the memo. The Board members unanimously approved the recommendations.
- Potential Wine Listings / Delisting – (see attached memo dated December 17, 2008) Debi Besser, Purchasing Director, made recommendations as explained in the memo. The Board members unanimously approved the recommendations.
- Potential One-Time-Only Listing – (see attached memo dated December 17, 2008) Debi Besser, Purchasing Director, made recommendations as explained in the memo. The listings represents Washington State’s first Craft Distillery product Dry Fly Whiskey. Lorraine Lee asked Debi Besser if there will be any advertising or Point of Sale displays forthcoming related to the new product. Debi Besser will look into the matter and brief the Board at a future meeting. In addition, Lorraine Lee questioned who makes the decisions for which liquor store products have displays and Point of Sale advertising. Debi Besser indicated that a policy is being developed and the LCB is seeking feedback from the Distillery Representatives Association of Washington on the policy development. The agency will be including advertising and liquor store display issues in our 2009 rulemaking efforts.

The meeting was adjourned at 9:20 am.



Lorraine Lee
Chairman



Roger Hoen
Board Member



Ruthann Kurose
Board Member