

WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting Minutes – May 24, 2012

PLEASE NOTE: an audio recording of this Board Meeting is posted on the LCB website along with these minutes.

Board Chair Sharon Foster called the regular meeting of the Washington State Liquor Control Board to order at 10:00 a.m., on Thursday, May 24, 2012 in the Boardroom at 3000 Pacific Avenue S.E. in Olympia, Washington. Board Members Ruthann Kurose and Chris Marr were present.

Approval of Minutes

Minutes from the May 16, 2012 meeting were approved.

Public Hearing on Rulemaking to Implement I-1183 (permanent rules to replace existing emergency rules)

Agency Rules Coordinator, Karen McCall provided a brief rulemaking background on the permanent rules to implement I-1183. These rules, which replace the existing emergency rules, will be brought to the Board as a CR 103 for vote at their May 30, 2012 Board Meeting. Board Chair Sharon Foster opened the meeting up to stakeholder comment. Several stakeholders, including representatives from the Washington Restaurant Association, owners/operators of bars and restaurants, Contract Liquor Store Managers and winning bidders from the State Liquor Store auction, provided verbal comment. Please see attachments below for speaker sign-in sheet and written commentary provided at the meeting as well as prior.

Board Approval to File CR 102 for Restaurants with Cinemas Rulemaking

Karen McCall presented the Board with a CR 102 for allowing minors in restaurants with cinemas under certain conditions. This rulemaking, which resulted from a stakeholder petition to the Board, creates a new rule in Chapter 314-03 WAC. Board Member Kurose made a motion to approve. Member Marr seconded. All were in favor.

Board Approval to File CR 101 for \$150 Million Assessment for Spirits Distributor License Holders

The Board was requested to approve filing the first stage of rulemaking (CR101) to develop permanent rules to clarify the \$150 million assessment to be paid by persons holding a spirits distributor license. The spirits distributor license, as outlined in I-1183, directs all persons holding spirits distributor licenses on or before March 31, 2013, to pay to the Board \$150 million (or more) in spirits distributor license fees. Board Member Marr made a motion to approve. Member Kurose seconded. All were in favor.

Board Approval to File CR 101 for Rulemaking to Define "Trade Area"

Karen McCall brought a CR 101 to the Board for their approval, to begin the process of defining "trade area". The definition will help to determine if a location for a spirits retail license in a premise less than 10,000 square feet of retail space meets the requirements for the license. Board Member Kurose made a motion to approve. Member Marr seconded. All were in favor.

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Board Approval to File CR 101 to Create Brief Adjudicatory Proceeding (BAP)

Karen presented the Board with a CR 101 to create a brief adjudicatory proceeding (BAP). The Administrative Procedures Act (RCW 34-05-482) gives agencies the ability to utilize an abbreviated administrative hearing process (BAP) where the issues or interests involved do not warrant use of full adjudicative procedure. This rulemaking will identify specific instances where the Liquor Control Board may use BAP in lieu of the more formal hearing process. Board Member Marr made a motion to approve. Member Kurose seconded. All were in favor.

Recognition for Senator Conway

Deputy Administrative Director Rick Garza, joined by Liquor Control Board Retail employees Nolan Johnson and Earl Kalles, presented Senator Steve Conway with an award to recognize his efforts in passing legislation providing at-risk employees a sick leave payout. Senator Conway, who represents the 29th Legislative District in Tacoma, expressed his appreciation for the employees of the Liquor Control Board. Stakeholders in attendance were encouraged by Senator Conway to contact their Legislators, with comments and concerns regarding I-1183 and the new privatized liquor system. All Board members thanked the Senator for his efforts.

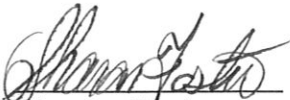
New Business

There was no new business.

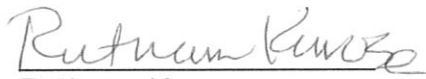
Old Business:

There was no old business.

The Board Meeting was adjourned at 11:35 a.m.



Sharon Foster,
Board Chair



Ruthann Kurose,
Board Member



Chris Marr,
Board Member