



WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting Minutes – October 3, 2012

Board Chair Sharon Foster called the regular meeting of the Washington State Liquor Control Board (WSLCB) to order at 10:02 a.m., on Wednesday, October 3, 2012 in the Boardroom at 3000 Pacific Avenue S.E., Olympia, Washington. Board Member Ruthann Kurose participated via telephone. Board Member Chris Marr was present.

Approval of Minutes

Minutes from the September 12, 2012 meeting were approved.

Board Approval to File CR 102 on Brief Adjudicative Proceedings

Agency Rules Coordinator Karen McCall presented the Board with a CR 102 on Brief Adjudicative Proceedings (BAP). Per the Administrative Procedures Act (RCW 34.05.482), agencies have the ability to use an abbreviated administrative hearing process (BAP) where the issues or interests involved do not warrant use of full adjudicative procedure. With approval, this rulemaking will identify specific instances where the Liquor Control Board may use BAP in lieu of the more formal hearing process. Member Kurose made a motion to approve the CR 102. Member Marr seconded. All were in favor.

Public Hearing on \$150 Million Assessment for Spirits Distributor Licensees

The meeting was opened up to public testimony regarding the \$150 million assessment for spirits distributor licensees. Initiative 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 by May 31, 2013. The license fees are derived from the ten percent of the total revenue for all the licensee's sales of spirits made during the first year. New WAC section 314-23-025 was created to clarify RCW 66.24.055 in regards to how the \$150 million assessment will be calculated and collected. Two stakeholders testified during the hearing:

- Jim Halstrom, Southern Wine and Spirits: Written testimony provided, please see attached.
- Ron Main, Washington Beer and Wine Distributors Association (WBWDA): Ron, who noted that he was testifying on behalf of John Guadnola, reiterated the points made in WBWDA's written testimony submitted to the Board on September 18, 2012 (please see attached).

New Business

There was no new business.

Old Business:

There was no old business.

The Board Meeting was adjourned at 10:26 a.m.

Sharon Foster,
Board Chair

Ruthann Kurose,
Board Member

Chris Marr,
Board Member