



NOTICE OF ADOPTION OF POLICY STATEMENT

Title of Policy Statement: Alcohol Service in Fast Food Chains – Policy Statement Number PS21-07.

Issuing Entity: Washington State Liquor and Cannabis Board

Subject Matter: This policy statement describes the Washington State Liquor and Cannabis Board's position on alcohol service in fast food business service models.

Effective Date: November 18, 2021

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Policy Statement

Title: Alcohol Service in Fast Food Chains

Number: PS21-07

Reference: [RCW 66.04.010](#)

[RCW 66.24.320](#)

[RCW 66.24.350](#)

[RCW 66.24.354](#)

[RCW 66.24.410](#)

[WAC 314-02-010](#)

[WAC 314-02-035](#)

[WAC 314-02-045](#)

[WAC 314-02-065](#)

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[RCW 34.05.230 – Interpretive and policy statements](#)

- (1) An agency is encouraged to advise the public of its current opinions, approaches, and likely courses of action by means of interpretive or policy statements. Current interpretive and policy statements are advisory only. To better inform the public, an agency is encouraged to convert long-standing interpretive and policy statements into rules.

INTRODUCTION

This policy statement describes the Washington State Liquor and Cannabis Board (WSLCB)'s position on alcohol service in fast food business service models.

This policy statement supersedes and replaces previous agency guidance concerning this topic.

POLICY STATEMENT

The WSLCB will not issue liquor licenses to fast food restaurants as defined in this policy statement based on a number of public safety concerns, including but not limited to increased youth access to alcohol products, increased outlet density, and lack of interaction with customers to monitor alcohol sales and consumption.

BACKGROUND

In the past, WSLCB has issued a very small number of alcohol licenses to businesses that could be considered fast food restaurants. However, these licenses have not been renewed for a variety of reasons, including sales to minors, and unresolved concerns regarding the lack of interaction between counter staff and patrons once an order has been placed and received.

WSLCB continues to receive a small number applications for liquor licenses at fast food restaurants. This policy statement describes the agency's position on alcohol service in fast food restaurants.

AUTHORITY

RCW 66.04.010 defines a variety of terms related to the regulation of alcohol.

RCW 66.24.320 describes the beer and/or wine liquor license type, including fees and other requirements.

RCW 66.24.350 describes the snack bar license type, including fees and other requirements.

RCW 66.24.354 describes a beer and wine retailer's license that may be combined only with the on-premises licenses described in either RCW 66.24.320 or 66.24.330. The combined license permits the sale of beer and wine for consumption off the premises.

RCW 66.24.410 describes liquor by the drink, spirits, beer, and wine restaurant licenses, liquor by the bottle for hotel or club guests, the soju endorsement, and when unconsumed liquor can be removed from a licensed premise.

WAC 314-02-010 defines, among other things, "minimum food service" and "snack food."

WAC 314-02-035 describes food requirements for licensed spirits, beer, and wine restaurants.

WAC 314-02-045 describes the beer and/or wine restaurant license.

WAC 314-02-065 describes the snack bar license.

ANALYSIS

WSLCB has established rules based on statute to implement requirements to obtain a beer or wine restaurant or snack bar license. For example, a beer or wine restaurant license allows for service of beer by the bottle or tap for on premise consumption as long as the "minimum food service" is offered. Minimum food service is defined WAC 314-02-010(14), and means the provision of foods such as sandwiches, salad, soup pizza, hamburgers and fry orders. Similarly, a

snack bar license allows a licensee to serve beer by the opened bottle or can for on premise consumption¹ as long as the licensee serves" items such as peanuts, popcorn, and chips."²

These requirements make it possible for a variety of applicants to qualify for a license to serve alcohol. However, rules have not been established for alcohol service in businesses that could be considered "fast food" or quick service models, and the focus here is not whether an applicant meets food service requirements but whether "fast food" or quick service business models increase public safety concerns.

"Fast food" business models may not be suitable for alcohol service for a variety of reasons. For example, in a "fast food" restaurant, food and beverages are quickly prepared or pre-prepared, and contact with a consumer ends once food and beverages have crossed the counter separating restaurant staff and the consumer. As a result, the ability for restaurant staff to monitor alcohol consumption is reduced and in some instances, may not be possible. Additionally, quick service business models may be, and often are located near or within proximity of a public school, a private school, a church, a public college or public university. Even though WAC 314-07-065(9) provides that the Board may not issue a license if it receives an objection from a public school within five hundred feet of a proposed business, the agency is concerned that increasing alcohol outlet density in areas where minors will be present does not align with its commitment and stated goal of ensuring the highest level of public safety. The reasoning supporting this position is discussed below.

To more fully define and explore the differences in business models between "fast food" and other types of restaurants, examine public safety concerns, and explore contextual factors, WSLCB offers the following analysis.

Comparing "Fast Food" and "Full Service" Restaurants

Fast food is generally defined as "food that can be prepared quickly and easily and is sold in restaurants and snack bars as a quick meal or to be taken out"³ and is ordered from a counter or if in a vehicle, from an outdoor kiosk or a drive-thru window. Typically, this is the only contact and interaction a patron may have with fast food restaurant staff. Fast food chains often offer drive through sales, tend to have lower staff ratios, and often serve places where persons under twenty-one gather after school or sporting events. The fast food workforce generally consists of younger individuals, allowing persons to be employed at 16 years of age within certain parameters and criteria established by Washington State Department of Labor and Industries. Statute provides, and WSLCB rule reflects that employees aged 16 – 17 are not

¹ WAC 314-02-065

² WAC 314-02-010(18)

³https://www.google.com/search?q=definition+of+fast+food&rlz=1C1CHZL_enUS868US868&oq=definition+of+fast+food&aqs=chrome..69i57j0i457i512j0i512i3j0i22i30i5.4584j1j4&sourceid=chrome&ie=UTF-8

allowed to serve alcohol or receive an alcohol server permit. WSLCB rule also provides that employees aged 18 – 20 are required to be supervised by a person aged 21 or older. Examples of fast food restaurants are chains such as McDonalds, Jack in the Box, and Arby's. One data set notes that Washington State hosts 251 McDonald's restaurants, or approximately 4.26 McDonald's restaurants for every 100,000 Washingtonians.⁴

In contrast, a "full service" restaurant generally contemplates casual or formal dining with table service and a longer stay at a restaurant. Food and beverages are ordered from a menu at the table and delivered to the table. Servers are assigned to tables, which gives an opportunity to monitor the number of alcohol drinks consumed and potential over intoxication. Consistent with statute and rule, products such as beer, wine, or soju may be served by trained alcohol server staff aged 21 and over, and opened bottles of such products may be recorked or sealed for patrons to take away. These practices allow for alcohol consumption to be monitored. Examples of full service dining restaurants are chains such as Applebee's, Red Robin, and Olive Garden. There are 41 Applebee's restaurants in Washington State, meaning that there are substantially fewer than Applebee's restaurants than there are McDonald's restaurants.

Public Health and Prevention, Enforcement and Education Perspectives

Prevention literature provides that alcohol outlet oversaturation can have disastrous public health consequences.⁵ Even though studies directly assessing the control of outlet density as a means of controlling excessive alcohol consumption and related harms do not exist, assessments of related phenomena are indicative. To that end, most studies found that greater outlet density was associated with increased alcohol consumption and related harms, including medical harms, injury, crime, and violence.^{6 7 8} Children and teens are frequent patrons of fast food restaurants (the latter often in groups), and these are often located near schools. Beyond that, normalization of alcohol use is linked to reduced perceptions of harm and thus increased youth use. Having alcohol seen and available in these everyday spaces could contribute to normalization. Additionally, many fast food restaurants operate at times as a places of play with play equipment catering to small children, potentially increasing exposure to the presence of alcohol. Increased outlet density could increase the need for additional enforcement staff.

Further, frequent and widespread exposure to fast-food marketing increases young people's preferences for, and consumption of, fast food. Fast-food represents 40% of all food and beverage marketing expenditures targeted at children and teens (aged 2-17). Using 2019 Nielsen data, the study found that children aged 2-5 viewed an average of 830 TV ads for fast

⁴ [Payday Lenders vs. McDonald's \(csun.edu\)](#)

⁵ Campbell CA, Hahn RA, Elder R, Brewer R, Chattopadhyay S, Fielding J, Naimi TS, Toomey T, Lawrence B, Middleton JC; Task Force on Community Preventive Services. The effectiveness of limiting alcohol outlet density as a means of reducing excessive alcohol consumption and alcohol-related harms. *Am J Prev Med.* 2009 Dec;37(6):556-69. doi: 10.1016/j.amepre.2009.09.028. PMID: 19944925.

⁶ Gruenewald PJ, Remer L. Changes in outlet densities affect violence rates. *Alcohol Clin Exp Res* 2006;30(7):1184-93.

⁷ Markowitz S, Chatterji P, Kaestner R. Estimating the impact of alcohol policies on youth suicides. *J Ment Health Policy Econ* 2003;6(1):37-46

⁸ Norstrom T. Outlet density and criminal violence in Norway, 1960-1995. *J Stud Alcohol* 2000;61(6):907-11.

food over the course of the year, while children aged 6-11 viewed 787 ads, and teens and tweens aged 12-17 viewed 775 ads.⁹ A 2021 report from UCONN Rudd Center for Food Policy & Obesity¹⁰ found that the fast food consumption by children and teens has increased over the past decade, and fast food advertising has played a role in that rise. And, even before that, a 2017 study¹¹ found that in social media applications, 84% of the food marketing is seen by adolescents. Of these, the most frequently promoted food category was fast food (58%) followed by sugar-sweetened beverages (13%), and candy/chocolate (13%). McDonald's Corporation advertising ranks the highest among most viewed by children and teens.¹² For example, free breakfast was offered to students taking the ISAT,¹³ and US marketing companies have developed strategies that focus exclusively on schools. The companies distribute text book covers, lesson plans, posters, bookmarks, and lunch menu posters to participating companies branded by advertisers such as McDonalds, Pepsi, Frito Lay, and others.¹⁴ Allowing alcohol service in these businesses may increase youth exposure to alcohol, and as noted above, could contribute to normalization.

From operational and regulatory perspectives, statute provides that persons under 18 cannot obtain mandatory alcohol server training (MAST). As a result, a fast food restaurant manager of at least 21 years of age would need to be working in the restaurant any time alcohol is served to supervise under aged employees. Additionally, patrons may be able to leave the restaurant with a disposable cup containing alcohol. Since many fast food restaurants are often located near easy access points of public thoroughfares, such as freeways and expressways, the possibility for impaired driving and associated harms could increase.

Finally, with respect to outlet density concerns, excessive alcohol consumption, including both binge drinking and heavy average daily alcohol consumption, is the third-leading cause of preventable death in the United States. The [CDC's Community Preventative Services Task Force recommends use of regulatory action to limit alcohol outlet density](#), on the basis of sufficient evidence of a positive association between outlet density and excessive alcohol consumption and related harms.

Contextual Factors

The effect that alcohol outlets have on excessive alcohol consumption and related harms could also be influenced by their location in communities. For example, high concentrations of alcohol outlets near schools, college communities, or military bases could encourage underage

⁹ <https://today.uconn.edu/2021/06/rudd-center-new-study-finds-fast-food-companies-spending-more-on-advertising-disproportionately-targeting-black-and-latino-youth/#>

¹⁰ <https://media.ruddcenter.uconn.edu/PDFs/FACTS2021.pdf>

¹¹ Potvin, K. M., Pauzé E, Roy, E. A., de, B. N., & Czoli, C. (2019). Children and adolescents' exposure to food and beverage marketing in social media apps. *Pediatric Obesity*, 14(6), 12508. <https://doi.org/10.1111/ijpo.12508>

¹² <https://media.ruddcenter.uconn.edu/PDFs/FACTS2021.pdf>

¹³ <https://www.mountainhomenews.com/story/1830241.html>

¹⁴ <https://ijbnpa.biomedcentral.com/articles/10.1186/1479-5868-1-3>

and binge drinking, particularly if alcohol outlets are clustered, which can lead to greater price competition and difficulty enforcing liquor laws (e.g., the age 21 minimum legal drinking age).¹⁵

The Centers for Disease Control and Prevention (CDC) define alcohol outlet density as the number and concentration of alcohol retailers (such as bars, restaurants, and liquor stores) in an area.^{16 17} Community factors (e.g. socio economic, sociodemographic) can affect the type and mix of alcohol outlets located in a community. In one study, researchers found that alcohol outlets (including both on and off-premise outlets) were concentrated in low-income areas.¹⁸ Further, a 2014 study examining the density of and proximity of fast food restaurants according to levels of median incomes in Boston found that higher income neighborhoods had lower fast food density while fast food restaurants were more concentrated in lower income neighborhoods and near lower income schools.¹⁹

CONCLUSION

Based on a number of public safety concerns, including but not limited to increased youth access to alcohol products, increased outlet density, and lack of contact with a consumer once food and beverages have crossed the counter, the WSLCB will not issue liquor licenses to fast food restaurants as defined in this policy statement.

The WSLCB will determine whether a restaurant is a fast food restaurant on a case by case basis. To evaluate whether a restaurant is a fast food restaurant, the WSLCB will apply the following review criteria, including but not limited to:

- Number of outlets in a chain;
- Number of employees under the age of 21 in relation to business size and type;
- Business advertising and marketing to determine whether advertising and marketing is targeted at children, adolescents, or both;
- Where food is ordered to determine if the order occurs at a counter area, service window or drive-thru window, kiosk, or some other type of quick service arrangement;
- Where customers pick up food, beverages or both to determine if the pickup occurs at a counter area or service window;

¹⁵ <https://www.cdc.gov/alcohol/pdfs/cdc-guide-for-measuring-alcohol-outlet-density.pdf>

¹⁶ Campbell CA, Hahn R a., Elder R, et al. The effectiveness of limiting alcohol outlet density as a means of reducing excessive alcohol consumption and alcohol-related harms. *Am J Prev Med.* 2009;37(6):556-569. doi:10.1016/j.amepre.2009.09.028.

¹⁷ Fact Sheets – Preventing Excessive Alcohol Use. Centers for Disease Control website. www.cdc.gov/alcohol/fact-sheets/prevention.htm. Accessed May 5, 2016.

¹⁸ Morrison C, Gruenewald PJ, Ponicki WR. Socioeconomic determinants of exposure to alcohol outlets. *J Stud Alc Drugs.* 2015;76:439–446.

¹⁹ Walker, R.E., Block, J. & Kawachi, I. The Spatial Accessibility of Fast food Restaurants and Convenience Stores in Relation to Neighborhood Schools. *Appl. Spatial Analysis* 7, 169–182 (2014). <https://doi-org.antioch.idm.oclc.org/10.1007/s12061-013-9095-6>

- How payment is made, to determine if payment for food or beverages is made at the time food or beverages are ordered;
- Menu items, to determine if limited to food items are offered that require minimal preparation or heating;
- Customer's receipt does not include a gratuity line;
- Whether there are servers dedicated to tables;
- Whether food, beverages, or both are served with disposable tableware. Disposable tableware means disposable cups, plates, tablecloths, placemats, plastic cutlery, and paper napkins, made of paper, plastic, coated paper or other materials meant for single use and quick cleanup;
- Whether individual menus are available for each customer;
- Whether customers bring their own tables; or
- Whether trash containers are located within the restaurant eating area.