



Washington State Liquor Control Board

Washington State Liquor Control Board Meeting

Wednesday, September 25, 2013, 10:00 a.m.
Headquarters Building
3000 Pacific Avenue SE, Olympia WA 98501

Meeting Minutes

CALL TO ORDER

Chair Sharon Foster called the regular meeting of the Washington State Liquor Control Board to order at 10:00 a.m. on Wednesday, September 25, 2013. Member Ruthann Kurose and Member Chris Marr were also present.

APPROVAL OF MINUTES

MOTION: Member Marr moved to approve the September 11, 2013, meeting minutes as presented.

SECOND: Member Kurose seconded.

ACTION: Motion passed unanimously.

ACTION ITEM

Proposed Amendments to:

- Board Interim Policy BIP-04-2013 - Beer & Wine Theater License
- Board Interim Policy BIP-05-2013 - Spirits, Beer and Wine Theater License

Alan Rathbun, Director of Licensing & Regulation, presented an overview of the two amendments beginning with:

Board Interim Policy BIP-04-2013 - Beer & Wine Theater License

Purpose

SHB 1001 passed in the 2013 Legislative session creating a beer/wine theater license for theaters with no more than four screens. If theater premises are to be frequented by minors, an alcohol control plan must be submitted to the LCB during the application process. There are no food requirements for this license.

Policy Statement

In order to be issued a Beer/Wine Theater license, the applicant must meet the following criteria:

- The theater has no more than four screens.
- The theater is a place of business where motion pictures or other primarily non-participatory entertainment are shown.
- All servers of beer and wine are required to attend a mandatory alcohol server training program.
- Penalties are doubled for a violation involving minors or the failure to follow an alcohol control plan.
- Submit a signed and dated "Alcohol Control Plan Agreement" to the LCB for the entire theater premises, or a room or area therein. The Alcohol Control Plan Agreement will be provided on a form by the board and includes:
 - To ensure that alcoholic beverages are not sold to persons under the age of 21, staff will request identification from any patron who appears to be age 30 or under and who is attempting to purchase an alcoholic beverage.
 - Alcoholic beverages must be served in containers that differ significantly from containers utilized for non-alcoholic beverages.
 - All alcoholic beverages sold under this license must be sold by the individual drink.
 - If staff observes a patron who is in the possession of or who is consuming an alcoholic beverage who appears to be of questionable age, staff will request identification from that patron. If the patron is unable to produce an acceptable form of identification verifying their age the alcohol will be confiscated. The licensee is responsible for assuring compliance with all liquor laws and rules in all locations where alcohol is sold, served, and consumed.
 - Staff will accept only those forms of identification that are acceptable per WAC 314-11-025 to verify a person's age for the purpose of selling, serving, or allowing a person to possess or consume alcohol.
 - All employees involved in the sale, service and/or supervision of alcoholic beverages will be required to attend Mandatory Alcohol Server Training (MAST) obtain the appropriate permit for their level of service.
 - Sufficient lighting must be maintained at the point of sale so that identification can be confirmed and patrons observed for signs of intoxication.
 - To ensure alcoholic beverages are served in a safe, responsible and controlled manner, sales and service of alcoholic beverages will be limited to one serving per person per transaction.

- If a patron is accompanied by another patron who wants to pay for both people's drinks, they may do so, provided that both patrons are of legal age to purchase, and have proper identification, if requested, and are not displaying signs of intoxication.
- Alcohol may only be sold, served, and consumed in areas designated in the alcohol control plan and approved by the board.
- Staff will refuse to sell an alcoholic beverage to any person who appears to be intoxicated. Alcoholic beverages will be removed from any person who appears to be intoxicated.
- This Alcohol Control Plan Operating Agreement will be prominently posted on the licensed premises.
- Any significant changes to the alcohol control plan must be submitted to the Licensing Division and approved prior to implementation.

Board Interim Policy BIP-05-2013 - Spirits, Beer and Wine Theater License

Policy Statement

In order to be issued a Spirits/Beer/Wine Theater license, the applicant must meet the following criteria:

- The theater has no more than 120 seats per screen.
- The theater is a place of business where motion pictures or other primarily non-participatory entertainment such as text messaging to movie screen, skits, and comedy shows are shown.
- All servers of spirits, beer and wine are required to attend a mandatory alcohol server training program.
- Penalties are doubled for a violation involving minors or the failure to follow the Alcohol Control Plan Agreement.
- Required to meet the same food service requirements as a Spirits/Beer/Wine Restaurant license under WAC 314-02-035 and must have tabletop accommodations for in theater dining.
- Submit a signed and dated "Alcohol Control Plan Agreement" to the LCB for the entire theater premises, or a room or area therein. The Alcohol Control Plan Agreement will be provided on a form by the Board and includes:
 - To ensure that alcoholic beverages are not sold to persons under the age of 21, staff will request identification from any patron who appears to be age 30 or under and who is attempting to purchase an alcoholic beverage.
 - Alcoholic beverages must be served in containers that differ significantly from containers utilized for non-alcoholic beverages.
 - All alcoholic beverages sold under this license must be sold by the individual drink.

- If staff observes a patron who is in the possession of or who is consuming an alcoholic beverage who appears to be of questionable age, staff will request identification from that patron. If the patron is unable to produce an acceptable form of identification verifying their age the alcohol will be confiscated. The licensee is responsible for assuring compliance with all liquor laws and rules in all locations where alcohol is sold, served, and consumed.
- Staff will accept only those forms of identification that are acceptable per WAC 314-11-025 to verify a person's age for the purpose of selling, serving, or allowing a person to possess or consume alcohol.
- All employees involved in the sale, service and/or supervision of alcoholic beverages will be required to attend Mandatory Alcohol Server Training (MAST) obtain the appropriate permit for their level of service.
- Sufficient lighting must be maintained at the point of sale so that identification can be confirmed and patrons observed for signs of intoxication.
- To ensure alcoholic beverages are served in a safe, responsible and controlled manner, sales and service of alcoholic beverage will be limited to one serving per person per transaction.
- If a patron is accompanied by another patron who wants to pay for both people's drinks, they may do so, provided that both patrons are of legal age to purchase, and have proper identification, if requested, and are not displaying signs of intoxication.
- Alcohol may only be sold, served, and consumed in areas designated in the alcohol control plan and approved by the Board.
- Staff will refuse to sell an alcoholic beverage to any person who appears to be intoxicated. Alcoholic beverages will be removed from any person who appears to be intoxicated.
- This Alcohol Control Plan Operating Agreement will be prominently posted on the licensed premises.
- Any significant changes to the alcohol control plan must be submitted to the Licensing Division and approved prior to implementation.

Director Garza added that there are complications in the process arising from Legislation that calls for two separate service licenses making it difficult for enforcement addressing restrictions under both.

MOTION: Member Kurose moved to approve Board Interim Policy BIP-04-2013 - Beer & Wine Theater License.

SECOND: Member Marr seconded.

ACTION: Motion passed unanimously.

MOTION: Member Kurose moved to approve Board Interim Policy BIP-05-2013 - Spirits, Beer and Wine Theater License.

SECOND: Member Marr seconded.

ACTION: Motion passed unanimously.

PUBLIC HEARING

Proposed Rules to Define "Trade Area" WAC 314-02-1071

Karen McCall, Agency Rules Coordinator, presented an overview of the request for approval from the Board to file a second supplemental CR 102 with proposed rules to define "trade area" in RCW 66.24.630. Ms. McCall's noted that she has received a few additional written comments and she will be providing the Board with a matrix of all comments next week. She continued with a brief presentation which included:

Why is rule making necessary?

Permanent rules are needed to define "trade area" in RCW 66.24.630 which was created with the passing of Initiative 1183. A definition is needed to determine if a location for a spirits retail license in a premises with less than 10,000 square feet of retail space meets the requirements for the license.

On March 13, 2013 the Board approved filing proposed rules (CR 102) to define "trade area" as created in Initiative 1183. At a public hearing held on April 24, 2013, stakeholders requested the Board change the proposed rules. Changes in the proposed rules required the Board to file a supplemental CR 102 with the Code Reviser's Office. On May 8, 2013, the Board filed a supplemental CR 102 with the Code Reviser's Office. After consideration, the Board decided that the exception for "A spirits retail application from a tribal entity located on tribal land" is not warranted.

During the implementation of I-1183, tribes that had vendor agreements with the LCB were given the opportunity to request additional retail stores that they may decide to open in the future. Some tribes requested and were granted additional stores. Based on the action taken by the Board at that time there is no basis for granting an exception to the 10,000 square foot requirement for any additional retail stores to a tribe. Proposed locations seeking a spirits retail license with at least 10,000 square feet of retail space will be evaluated on the basis of statute and criteria in existing rules.

What changes are being proposed?

New Section - WAC 314-02-1071 What is "trade area"? A new section was created in WAC 314-02 to define trade area. "Trade area" as used in 66.24.630 RCW means an area where there is no spirits retail license or auction title holder within a twenty mile travel time at the time of licensure. An exception has been included for a location where the significant mode of travel is other than by automobile.

Member Marr commented on letter that was provided to the Board from Ms. Lea Ann Easton, Attorney for Samish Indian Nation.

Member Kurose expressed her concern about the letter noting this may be interfering with the ability of tribal government to exercise its sovereignty. She suggested that we review tribal reservation or tribal trust land status.

Chair Foster then invited Ms. Amy Brackenbury, who signed up to comment, to come forward.

Amy Brackenbury - WA Food Industry Association (WFIA)

Ms. Brackenbury was pleased to see the rules come forward. She noted that the WFIA supports the elimination of the exception for the tribal stores as well as the exception for stores located where the significant mode of travel is other than by automobile and they appreciate the accommodation for that. She also said they would like to see the trade area distance changed to 15 miles instead of 20 miles. They look forward to the adoption of the rules.

Chair Foster thanked everyone for their time and input.

STATE SERVICE RECOGNITION

Director Rick Garza invited Mary Segawa, LCB Alcohol Awareness Program Manager, to come forward so he could recognize her with her 15 year public service award. Director Garza stated that Ms. Segawa's service career began in 1984 at the University of Washington as a senior adviser to student government and student organizations and activities. She relocated to Olympia in 1996 and began working for TOGETHER - a nonprofit organization dedicated to engaging and mobilizing families and the community to advance to health, safety and success of our youth. She was appointed Executive Director in 2003. In 2010, Ms. Segawa began working for the LCB as the Alcohol Awareness Program Manager. He added that Mary always keeps staff on their toes with respect to their responsibility to educate the public and licensees around alcohol awareness and now with I-502. She is well respected by the public health and prevention community and a dedicated member of the LCB team. He then presented her with her certificate and public service pin.

Ms. Segawa expressed her appreciation for the opportunity to work at the LCB. She also shared a few short stories including her surprise in working with the marijuana initiative.

Member Marr acknowledged the difficulty of Ms. Segawa's position, especially considering the conflicting mission of public safety and revenue generation. He also said she has done a great job in building relationships and outreach. Member Marr also thanked her for how well she has grasped the issues surrounding the marijuana initiative and the complexities as it moved forward.

Member Kurose echoed Member Marr's statements and added that she really appreciates the way Ms. Segawa cares about kids and protecting kids and she appreciates the work she does.

Chair Foster thanked Ms. Segawa for her hard work on the RUaD Planning Committee. She commended her for her contributions to the coalition. Chair Foster said that Ms. Segawa was the perfect candidate and they are lucky to have her.

NEW BUSINESS

No new business reported.

OLD BUSINESS

No old business reported.

ADJOURN

Chair Foster adjourned the meeting at 10:40.

Minutes approved this 2 day of October, 2013


Sharon Foster
Board Chair


Ruthann Kurose
Board Member


Chris Marr
Board Member