

AGENDA

IOWA ALCOHOLIC BEVERAGES COMMISSION

**Iowa Alcoholic Beverages Division
1918 SE Hulsizer Rd.
Ankeny, IA 50021
Boardroom
April 30, 2012 1:00 pm
Dial In Number: 1.866.685.1580
Conference Code Number: 0009991572**

Call to OrderChairperson Nashleanas

1. Announcements/Introductions
 New Board Member
2. Approval of April 30, 2012 Agenda* Action Item Tab 1
3. Approval of January 26, 2012 Minutes* Action Item Tab 2
4. Approval of Minutes from February 27, 2012, Telephonic Meeting* Action Item Tab 3

AdministrationStephen Larson

5. Administrator's Report
 - a. Division Highlights.....Tab 4
 - i. Strategic Plan
 - b. Accounting and Finance.....Tab 5
 - c. Products Management* Tab A
 - d. Regulation and Licensing*Tab B
 - e. Education and Outreach Report*Tab C
 - f. Legislative*Tab D

Public Comment.....Chairperson Nashleanas

Old BusinessChairperson Nashleanas

6. Board Forum: Role of the three tier system
 - a. Location & Date
7. Dram Shop liability insurance

New BusinessChairperson Nashleanas

8. Adoption of Proposed Rules: 185 ch.1, 2, 3 & 19*Action Item
9. Role of the Commission and Members
10. Board Workshop(s)
 - a. Infusion
 - b. Alcohol Outlet Density
11. Election of Officers*Action Item

Other Business.....Chairperson Nashleanas

12. Set Next Commission Meeting Date: July 19, 2012

AdjournmentChairperson Nashleanas

NOTE: Committee and Board agendas may be amended any time up to 24 hours before the meetings. Agenda items may be considered out of order at the discretion of the chair. Meetings will not convene earlier than stated above.

- If you require accommodations to participate in this public meeting, call 515.281.7407 or TTY at (toll-free) 866.IowaABD to make your request. Please notify ABD at least 48 hours in advance.

**Indicates handout*

IOWA ALCOHOLIC BEVERAGES COMMISSION

MINUTES

Iowa Alcoholic Beverages Division
1918 SE Hulsizer Rd.
Ankeny, IA 50021
Boardroom
April 30, 2012 1:00 PM

Commission Members Present:

Greg Nashleanas: Chairperson
Jim Clayton: Vice-Chair
Claire Celsi: Board Secretary
Rick Hunsaker: Member
Mary Hunter: Member

Guests Present:

Jessica Dunker: Iowa Restaurant Association
John Broadbent: Broadbent Distillery
Mike St. Clair: Property Casualty Insurers Association
Lisa Davis-Cook: Iowa Association for Justice
Timm Reid: Iowa Association for Justice
John Broadbent: Broadbent Distillery
Mike Wenger: Employee & Family Resources
Kelly Bender: University of Iowa
Carmine Bose: Governors Office
Eddie Mauro: Universal Insurance
Mike Brewington: Iowa Beverage
Sheila Douglas: IA Wholesale Beer Dist.
Howard Beck: Illinois Casualty Company
Scott Oeltjenbrum: Johnson Brothers
Ann Weber: Property Casualty Insurance
Tami Doll: Doll Distributing

ABD Staff Present:

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| Stephen Larson: Administrator | Stephanie Strauss: Executive Officer |
| Erin Fitzgerald: Administrative Assistant | Tina Norris: Deputy Administrator of Spirits |
| John Lundquist: Assistant Attorney General | Nicole Hartman: Administrative Assistant |
| Doug Webb: Deputy Director of Administration | Jolene Erickson: Accountant |
| Karen Freund: Deputy Administrator of Regulation | Deb Bassett: Executive Assistant |
| Shannon Pogones: Education Outreach Coordinator | Tonya Dusold: Communications Director |

CALL TO ORDER

Chairperson Greg Nashleanas called the meeting to order at 1:01 PM and a quorum was present.

APPROVAL OF AGENDA

MOTION: A motion was made by Commissioner Hunsaker and a second by Commissioner Hunter to approve the agenda for the April 30, 2012 Commission meeting.

Motion approved unanimously.

APPROVAL OF MINUTES

MOTION: A motion was made by Commissioner Hunsaker and a second by Commissioner Hunter to approve the minutes from January 26, 2012 Commission meeting.

Motions approved unanimously.

APPROVAL OF MINUTES

MOTION: A motion was made by Commissioner Hunsaker and a second by Commissioner Hunter to approve the minutes from February 27, 2012 Telephonic Meeting.

Motions approved unanimously.

ADMINISTRATOR REPORT

Administrator Larson provided an overview of departmental activities since the last commission meeting. Administrator Larson reviewed the progress of the Division's strategic plan, licensing highlights, partnerships acquired, and distribution analysis. Other areas of overview included space utilization, including vertical racking for the warehouse, GPS, and RFP. This report was accepted without comment.

Commissioner Hunsaker requested a more detailed comparison between state and other contracts to see who ABD is partnered with in and outside of state government.

Accounting and Finance

Commission members were given financial information before the meeting and had no questions regarding accounting and finance.

Products Management

ABD Products Manager Nicole Hartman discussed newly listed products and delisted products for fiscal year 2012. 136 new items were presented to ABD; 98 were listed. Ms. Hartman also discussed current trends with spirits including growth (primarily due to flavoring of vodka, whiskey and other categories) along with how customers are choosing to trade "up" to higher priced products.

Commissioner Hunsaker asked how Iowa products compare to other products with whom they compete with. He would like more information about this.

Regulation and Licensing

ABD Deputy Administrator of Regulation Karen Freund gave an update on regulatory matters, including a map of delivery destinations throughout the state and the electronic reporting of beer and wine tax. The expected implementation of electronic reporting of beer and wine tax is July 1, 2012.

Education

ABD Education & Outreach Coordinator Shannon Pogones gave an update on I-PACT: 2,902 people have been certified in the state. Some concern was expressed over the inability to track the location the test was taken and that there is no protection from someone taking the test for another person. Feedback has otherwise been positive. Ms. Pogones also gave an overview of the distribution of *Iowa's Alcoholic Beverage Laws & you (Red Book)*. 15,000 copies were printed and nearly 10,000 have been distributed throughout the state.

Legislation

ABD Executive Officer Stephanie Strauss gave an overview of the legislative session and the three current bills that are under consideration that could impact ABD.

PUBLIC COMMENT

A general discussion took place between commissioners, ABD staff and meeting attendees regarding dram shop liability insurance. Some main points discussed were:

- Why is Iowa different from other states?
- Umbrella policies
- Liability
- Price versus ability of coverage for individuals.
- How many claims can be submitted annually?

Old Business

Commission forum dates and locations were approved (November 14, 15 2012 in Sioux City, Iowa). A budget and timeline will be presented at the July Commission meeting.

Dram shop liability insurance was also discussed between commission members, ABD staff and attendees regarding further clarification of dram shop.

New Business

Motion: A motion was made by Commissioner Hunter and second by Commissioner Hunsaker to publish the adoption of proposed rules for 185 ch 1, 2, 3 & 19.

Motion approved unanimously.

The role of commission members were also discussed with each member describing what they believe the commission's role is.

Another discussion took place regarding the commission workshops. Commissioners would like to be actively engaged with each issue presented for the workshop. Commissioners would prefer to keep the commission together and not split up for different workshops. If only a few can attend, commission recommends that two members of the opposite viewpoint attend (pro and against).

Motion: A motion was made by Commissioner Hunter and seconded by Commissioner Nashleanas to appoint Jim Clayton as Chairperson, Claire Celsi as Vice-Chair, and Rick Hunsaker as Secretary.

Motion approved unanimously.

ADJOURNMENT

MOTION: A motion was made by Commission Hunter and a second by Commissioner Clayton that the commission meeting be adjourned.

Motion approved unanimously.

The meeting adjourned at 3:22 PM.

Commissioner Celsi, Secretary