



## Washington State Liquor Cannabis Board Meeting

Wednesday, July 12, 2017, 10:00 a.m.  
LCB Headquarters - Boardroom  
3000 Pacific Avenue SE, Olympia WA 98501

### Meeting Minutes

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#### 1. CALL TO ORDER

Chair Jane Rushford called the regular meeting of the Washington State Liquor and Cannabis Board to order at 10:00 a.m. on Wednesday, July 12, 2017. Member Ollie Garrett and Member Hauge were also present. Chair Rushford first acknowledged her fellow Board members and thanked the staff for their efforts in preparing for the Board meeting.

#### 2. APPROVAL OF MEETING MINUTES

MOTION: Member Hauge moved to approve the May 31, 2017, meeting minutes.

SECOND: Member Garrett seconded.

ACTION: Motion passed unanimously.

#### 3. ACTION ITEMS (A-F)

##### **ACTION ITEM 3A - Board Adoption of (CR 101) for 2017 Liquor Legislation Implementation**

Karen McCall, Sr. Agency Rules Coordinator, began the briefing with materials (HANDOUTS 3A 1-2). She provided a brief background noting that this rulemaking is the result of several bills passed in the 2017 legislative session that will require new rules and/or revisions to current rules.

##### Timeline

If the Board adopts today, the Code Reviser will publish August 2, 2017. Ms. McCall will take comments from stakeholders until September 2, 2017 and ask the Board to file the CR-102 on October 18<sup>th</sup>. The Code Reviser would publish on November 1, 2017. The public hearing would be held on December 13, 2017 and the Board would adopt on December 27, 2017. Should the Board adopt the rules, they would be implemented on January 27, 2018. Ms. McCall asked if the Board had any questions. The Board said no.

Ms. McCall then requested approval from the Board to file proposed rules.

MOTION: Member Hauge moved to approve the filing of proposed rules (CR 101) for 2017 Liquor Legislation Implementation.

SECOND: Member Garrett seconded.

ACTION: Motion passed unanimously.

**ACTION ITEM 3B - Board Approval on Board Interim Policy for Producer Sales of Plants, Clones and Seeds to Cooperatives, Qualified Patients and Designated Providers**

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUT 3B 1).

- ESSB 5131 passed during 2017 legislative session, will be effective July 23, 2017. It allows producers will be able to sell immature plants or clones and seeds to registered cooperatives, qualifying patients and designated providers
- Previously patients did not have a legal pathway to acquire plants that they were legally allowed to possess and grow for personal medicinal use. Legislature added provisions to allow these sales with the condition that all parties must registered in the authorization database and have a registration card.
- Similar to the policy the Board issued for sales of plant to cooperatives last year
- Provides guidance on how these sales can occur for both producers and qualifying patients and designated providers. The bill and laws provide the structure, this provides the clarification of the guidelines for these sales to occur under the regulatory constructs.

Proposed Changes

ESSB 5131 takes effect July 23, 2017, so rules could not be put in place in time to be effective. This policy is to provide guidance on the laws while permanent rules are developed and implemented. Joanna asked if there were any questions. There were none. Ms. Eide then requested approval from the Board to file proposed interim policy.

MOTION: Member Garrett moved to approve the filing of the Board Interim Policy for Producer Sales of Plants, Clones and Seeds to Cooperatives, Qualified Patients and Designated Providers

SECOND: Member Hauge seconded.

ACTION: Motion passed unanimously.

**ACTION ITEM 3C - Board Adoption of (CR 101) for 2017 Marijuana Legislation Rules**

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUTS 3C 1-2). She provided a brief background noting that this rulemaking is the result of several bills that passed in the 2017 legislative session, including 1250, 5130 and 5131, all affecting WAC 314-55.

- We will combine this rulemaking with a previously filed CR-101 for other changes needed identified by staff, stakeholders, etc.
- We will use this to clarify other rules in the chapter that are not currently a part of other rulemaking
- Target is to be completed by the end of the year

### Timeline

If the Board adopts this CR-101, the Code Reviser will publish notice on August 2, 2017. Written comment on the CR-101 will be taken until September 27, 2017. The Board will be asked to approve the CR-102 on October 4, 2017 and the Code Reviser would publish notice on October 18, 2017. The public hearing and end of written comment will be on November 15, 2017. The Board will be asked to adopt the rules on November 29, 2017, which would have an effective date of December 30, 2017. Joanna asked if there were any questions. There were none. Ms. Eide then requested approval from the Board to file proposed rules.

**MOTION:** Member Hauge moved to approve the filing of proposed rules (CR 101) for 2017 Marijuana Legislation Rules

**SECOND:** Member Garrett seconded.

**ACTION:** Motion passed unanimously.

Joanna added that the LCB hosted a webinar yesterday to communicate information surrounding these legislative and rulemaking changes to stakeholders. She is also preparing fact sheets to post on the LCB website.

### **ACTION ITEM 3D - Board Adoption of (CR 101) for Marijuana Advertising Rules**

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUTS 3D 1-2). This rulemaking was initiated by ESSB 5131, which made significant changes in advertising by marijuana licensees, is being handled separately from all other rule changes initiated by the 2017 legislation so this matter can be completed expediently. Our goal is to provide clarification on the changes as soon as possible.

- Rules will not delay the effective date of July 23, 2017, for advertising requirements and restrictions passed by the Legislature
- Rules will further clarify terms and definitions where needed
  - o Images
  - o Adult only facilities with outdoor advertising, etc.
- We have already sent out guidance on the changes to advertising on June 30 and posted on our website and did a webinar on all 2017 marijuana legislation yesterday with 186 attendees

### Timeline

If the Board adopts this CR-101, the Code Reviser will publish notice on August 2, 2017. Written comment on the CR-101 will be taken until August 30, 2017. The Board will be asked to approve the CR-102 on September 6, 2017 and the Code Reviser would then publish notice on September 20, 2017. The public hearing and end of written comment will be on October 18, 2017. The Board will be asked to adopt the rules on November 1, 2017, with an effective date of December 2, 2017. Joanna asked if there were any questions. The Board said no.

Ms. Eide then requested approval from the Board to file proposed rules.

**MOTION:** Member Garrett moved to approve the filing of proposed rules (CR 101) for Marijuana Advertising Rules



SECOND: Member Hauge seconded.

ACTION: Motion passed unanimously.

### **ACTION ITEM 3E - Board Adoption of (CR 101) for Public Records Requests Rules**

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUTS 3E 1-2). She provided a brief background noting that this rulemaking is the result of the passing of EHB 1595 in the 2017 legislative session.

- LCB will conduct a review of our public records WAC 314-60 in conjunction with this rulemaking to ensure the rules remain current, clear and accurate
- Needed to adjust rules due to new requirements for assessing costs in fulfilling public records requests that no longer match the fee schedule passed in this legislation.
- The bill requires a study of actual costs of producing records or adopting the default fee schedule provided in the bill
- Required in order to charge costs for producing records
- In many instances we already do not charge costs for most requests, for instance when documents can be transferred electronically
- This is only for costs we would possibly charge for such as scanning, requiring copies, electronic delivery of records via a flash drive, etc.

#### Timeline

Ms. Eide stated that this rulemaking would follow the same timeline as the Marijuana Advertising Rules just presented. She asked if there were any questions. There were none.

Ms. Eide then requested approval from the Board to file proposed rules.

MOTION: Member Hauge moved to approve the filing of proposed rules (CR 101) for Public Records Requests Rules

SECOND: Member Garrett seconded.

ACTION: Motion passed unanimously.

### **ACTION ITEM 3F – Emergency Rules for Public Records Rules**

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUTS 3F 1-3). She provided a brief background noting that this rulemaking is the result of the passing of EHB 1595. This submission is in conjunction with the CR-101 for Public Records Rules.

- These emergency rules are required to adapt changes to costs of providing public records due to the passage of 1595 that will become effective July 23, 2017
- This adopts the default fee schedule located in Section 3 of the bill
- We have costs in current rules, but they would not match the requirements in the bill
- We must have a rule in place to charge costs when necessary. Most requests do not involve costs, but larger requests may
- This bridges the gap while the permanent rules are created

### Timeline

The bill becomes effective July 23, 2017. Emergency rules are on a 120 day timeline, so if the Board approves, we will wait to file with the Code Reviser until July 21, 2017 so it will be in effect for as long as possible after July 23, 2017.

Ms. Eide then requested approval from the Board to file proposed rules.

Member Hauge asked for clarification that these emergency rules do not change the current practice that we do not charge for digital transfers. Joanna confirmed that the current practices will not change.

MOTION: Member Hauge moved to approve the filing of Emergency Rules for Public Records Rules

SECOND: Member Garrett seconded.

ACTION: Motion passed unanimously.

## **4. PUBLIC HEARINGS (A-C)**

### **PUBLIC HEARING 4A – WAC 314-03 Allowed Activities**

Karen McCall, Agency Rules Coordinator, began the briefing with materials (HANDOUTS 4A 1-2). She provided a brief background noting that this is to implement an interim policy the Board adopted for mobile applications to purchase alcohol. The rules have been updated on internet sales and delivery, taking out the language that “third party service may not solicit customer business on behalf of the licensee” and replacing it with “the use of internet or mobile applications for retail customers to purchase alcohol in Washington State are allowed under the following conditions: the sale must be made by the licensee, the licensee must process payment for the sale, the liquor licensee will pay the owner of the mobile application a service fee”.

There were only a few comments on this rulemaking and I believe there is a representative from Instacart here to testify.

Chair Rushford opened the public hearing and invited the first citizen to the podium to provide testimony.

#### Carrie Bonnington - Instacart

Ms. Bonnington thanked the Board. She stated that she is a lawyer from California on behalf of Instacart, a San Francisco based technology company.

Instacart provides a relationship opportunity between retailers and consumers whereby retailers can sell groceries as well as alcohol to consumers and use Instacart to facilitate the sale and delivery. We have been working with Ms. McCall for about a year and a half now to talk through the model. What Instacart does is provide the retailer an online format for the retailer to select what items would be available. As a consumer, you select what you want to purchase and the retailer can accept or reject the order. They maintain control of the process at all times, selecting products availability, pricing and ultimately remaining responsible for all alcohol sales (for example, sale to a minor).



We've taken a look at the proposal and feel we are 90% of the way acceptable and appreciate everyone's efforts. There is however one part of the rule falls in a grey area. I'm here today to request an amendment to proposed rule as it is currently written. That is to enable the Instacart shoppers, which are independent contractors through Instacart to be able to actually pick the selected alcohol off the shelf and put it in a cart to facilitate the delivery. As it stands now, the Board's position is that Instacart can facilitate the order, place the non-alcoholic beverages in the cart and even deliver the products, but cannot actually take the wine, beer, or the distilled spirit to put in the packaging for delivery to the consumer. That is an issue for Instacart because it does not provide a clean process for the Instacart shoppers to do. It is an inconvenience for the retail to have someone dedicated to take the alcohol beverages off of the shelf.

It is the understanding of Instacart that that is allowed under the law, but not the position of the LCB to allow it. We have presented some alternative language and amendments to the law in the past and I have also brought them for you today (PUBLIC SUBMISSION #1).

Chair Rushford closed the public hearing and thanked everyone for their input.

#### **PUBLIC HEARING 4B – WAC 314-40-040 Club Membership Drives**

Karen McCall, Agency Rules Coordinator, began the briefing with materials (HANDOUTS 4B 1-2). She stated this is based on a petition from the Aberdeen Elks who are asking to increase the number of membership drives from two to 12.

This was discussed with enforcement and decided it would be fair to increase the number of drives to one per quarter, or four per year. Enforcement did not want to increase to 12, due to the amount of resources it takes to ensure the requirements of the drives are being met. I received a large amount of comments on this rulemaking, most in favor of increasing to 12.

Chair Rushford asked for clarification that the clubs' auxiliaries could still hold fundraisers outside of the drives. Ms. McCall confirmed.

Chair Rushford opened the public hearing and invited the first citizen to the podium to provide testimony. No one came forward for comment.

Chair Rushford closed the public hearing and thanked everyone for their input.

#### **PUBLIC HEARING 4C – Marijuana Producer Licenses and Tiers**

Chair Rushford announced the Board has requested more information on the subject. We are continuing with today's hearing and will continue the process on August 9, 2017.

Joanna Eide, Rules and Legislative Coordinator, began the briefing with materials (HANDOUTS 4C 1-4). Ms. Eide clarified that the timeline for public comment was being extended to August 9, 2017 as well.

The CR-102 was presented to the Board on May 31, 2017. The proposal includes allowing an entity to hold an interest in up to three producer licenses. It also includes a proposal to allow Tier 1 producers to increase canopy from 2,000 square feet to 4,000 square feet. There were also technical changes needed as a result of passing of 2017 legislation and additional changes made to clarify and facilitate the ability

for people to assume licenses, including a point system for violation history. There was clarifying language for security fences added to alleviate confusion in the current rule.

The proposal to increase square footage was developed based on request from the industry. The LCB evaluated the impact this would have on canopy and decided to compromise on the increase to 4,000. Another point of clarification on this proposal - multiple licenses would not be able to co-locate and the additional license interest would be acquired by assumption only. We are not opening an opportunity for new licenses.

I received 12 comments in full support, 11 in opposition, 13 in opposition of the fencing portion, 4 in opposition of the point system and 7 in opposition of the increase in licenses.

Chair Rushford opened the public hearing and invited the first citizen to the podium to provide testimony.

Ezra Eikmeyer- Artisan Producer/Processor

Mr. Eikmeyer thanked the Board for the hearing.

I'm here in strong favor of these rule changes. When this process started, everyone agreed to create overly restrictive rules to see how the federal government would react and then adjust appropriately as we go. The fact of the matter is that we have one of the tightest systems in the country and the restrictions on number of licenses is fairly unique in Washington. Some people are fearful of loosening the restrictions on number of licenses. We like the restrictions, they keep the industry decentralized. We just need to find the right number so we can expand the ability for all tiers to expand to a more profitable size and provide more opportunities. I've seen the books from the larger companies and in some cases the profit levels aren't that great due to the large federal and state tax burdens. I think the increase from one to three is modest, but still allows profitability. As a Tier 1 you could double your canopy, which I think is great for them but I'm nervous about expanding the state canopy. Regardless, they could expand their canopy and partner with a Tier 3. This is an equal opportunity change that I think would be good for everyone. I want to urge adoption of these rules and I thank you for the consideration you are putting into this process.

Logan Bowers - CORE

Mr. Bowers thanked the Board.

I wanted to talk about change about 55-075 and consolidation. I'm happy to hear that this is open for changes, but think even more change is necessary in the proposal to promote a stable and sustainable market and to advance the public policy goals. More harvest and jobs data is available and looking at the numbers a single Tier 3 produces about 3.5% of the total statewide consumption. With consolidation, ten companies would be capable of producing 100% of the product consumed in Washington. There are 1,100 producers licensed and this consolidation has the potential to reduce that to ten. The question is what happens to the other licensees? If other industries are any clue, these ten companies would hold 90% of the market and the remaining 1,000 will be fighting over the last 10%. I think this is bad for public policy and I think the data is now available so we have to estimate this.

The other half of this, when you look at the industry, the producer side employs about 6,800 people across the state with a median wage of \$13 an hour. In a depressed farming community that is a great livable wage. If you look at the consolidation and 1,000 businesses with an average of 8 employees, what will happen to these workers? A lot of these workers came from the black market because businesses are



looking to hire people with experience. Every licensee can tell you stories about employees who are filing taxes for the first time, getting bank accounts for the first time, etc. So, they are faced with a decision of retraining for a new industry or continuing to do what they know how to do, but having to continue doing it illegally because we've driven so much consolidation. So, from a public policy standpoint I think this will push several thousand jobs out of the white market in to the black market. I think it's risky and I would recommend changes to 075 that make it more gradual. Going from 1,100 growers to 10 is a little too aggressive. Thank you again, I will submit all of these numbers to you.

#### Susan Gress – WACA

Ms. Gress stated that she was the owner and operator of Vashon Velvet, a Tier 1 cannabis farm and that she was representing the Washington CannaBusiness Association. She thanked everyone, and Joanna, for listening and trying to make everyone happy.

WACA supports the proposed idea of three licenses per producer, because we want everyone in our industry to succeed in well and regulated way. I don't necessarily agree with Logan's extrapolation of the numbers, I believe that the free market will work these problems out and making predictions from small numbers is dangerous. However, the proposed 2,000 square foot increase falls short of addressing the issues faced by small family farms like mine. It basically is an issue of economy of scale. I would have to build a new building as mine is already full. The cost of a 15,000 square foot building is little more than the cost of a 2,000 square foot building by the time you add in permits, and planning, and craftsman, and power service. A 15,000 square foot building will pay for itself quickly, but a 2,000 square foot building doesn't come close. We do recognize that maintaining a capacity level statewide is critical, but at this point our small farms are prevented from any kind of growth no matter how successful we are.

So how do we fix this dilemma of allowing small businesses to grow without allowing too much capacity? WACA would like to see the Board to adopt a "ladder of success" similar to the one in place in Colorado. If a farm can prove that they consistently sell about 85% of their production and using at least 51% of their capacity, they can apply to move up a tier. This avoids overcapacity, because there is a proven demand for their product while allowing small businesses a path to grow and expand normally. Imagine where the wine industry would be if the Board had imposed tiers on them when they were getting started. St. Michelle would have been told they could they could only produce 2,000 bottles a year because Gallo is already making more than they can sell. We believe our proposal is a conservative and fair way to begin to address the concerns of small business, while maintaining the integrity and sustainability of the industry. We appreciate your consideration.

#### Leslie Olson – Quincy Green

Ms. Olsen introduced herself and distributed documents to the Board (PUBLIC SUBMISSION #2).

My focus today is 314-55-045 (3), the reissuance of licenses and the language that says it would not normally issue or renew a license to a person or entity that has demonstrated a disregard for laws or rules. The rest of that language I would propose to say "whether expressly or in effect". Like Logan Bowers said, we have hired people that have been underground. On the first page of your materials is one of our employees. He came to me a year ago living out of his car. He is now in a stable apartment with his girlfriend who also works on the farm. They are getting ready to celebrate their one year work anniversary and are a feature article in Dope Magazine. My grower, who I hope will be a partner soon, is coming out of a cannabis related criminal background. He is cleaning up his credit and getting ready to apply for a mortgage so he can buy his first house. These jobs are very important for our state and the well-being of our population.



When we talk about a \$13 per hour wage being important in Eastern Washington, it is true. People are buying cars and I'm getting ready to provide health insurance. It's not easy. What I will say, is that in the first wave of the industry was "we're all going to make money because it's weed". The second wave was "there's too much product, let's make BHO". The third wave was "there's a glut in BHO, let's make a national brand". And the fourth was "that won't work. The only way to do it is to get really big and that means automating systems by going to machines and getting rid of jobs". I watched that happen over time, and we have ended a 3.5 year period where this industry has been supported by investor financing. We are on the cusp of having it actually need to support itself and we cannot go through another round of investor financing. So what will happen in order to have it truly support itself, either the goals of the Board have to be met, or we have to let the cheaters cheat.

If you look on the fourth page of your handout, you'll see that the smaller producers are selling their product at \$1.36/gram and one of them is no longer active. At the fifth page, you will see a major producer/processor who is selling a \$3.59/gram. The reason it's important for this language to be "whether expressly or in effect" about rules is that there is an enforcement issue. The problem is those major producers are making up 90% of retail sales in certain stores. Partners can be informal, not in writing, and where there are familiar relationships there may be a violation of rules by affect. This language would ensure that the Board could make sure there is fair competition by producer processors. Thank you.

#### Anthony Ives - SAGE

Mr. Ives stated that he was a co-owner of a family/minority owned producer/processor Tier 2 out of Shelton, Washington.

Everybody make strong statements, including the issue of true party of interest which hasn't been defined. What I'm here to discuss is the issue of the changes in the tiers. I don't have a problem with multiple licenses. Number one, we try to do things according to the rules initially. We applied for two Tier 2 licenses and wanted to go slow and get it right and get the adequate funding, thinking the LCB wanted us to do it this way as well. In the end, the LCB took away our second license saying there was a glut of production space. What was created was a grey market where license holders did the minimum amount possible to maintain the license and now that it's worth something they can sell it to someone else. Rather than us, doing great with 15 employees, we have to go out and buy a license rather than being able to use the license we had. However, we need to grow and we may not have a choice.

The reason LCB changed the rule was because they said there was a glut. Why are Tier 1 able to double their canopy and we aren't compensated. We think the intent of the law in the first place was to allow all tiers to compete. I'm not sure that will happen. Clearly the change benefits the larger guys, where they could immediately double or triple their canopy space and have the capitol to do that. There is someone ready to provide health insurance and I respect that. I wish we could, but at least we are providing jobs. Everyone has had great comments and I wish there was a way to cultivate the rules into a stronger market for all tiers, not just the larger ones. Looking at your mission statement, I love it, but unfortunately the rules are fluid. Thank you for your time.

#### Chris Marr

Mr. Marr stated that he would like to speak to two issues.

One is the AVN history, 314-55-045, I appreciate that we are trying to align with practice on the liquor side in term of assignment of points to make clear at what point the Board can choose not to renew a license. However, I would like to suggest that the liquor industry has been an experiment in place for over 80

years, where cannabis has only been around for a few years. My concern is not so much the egregious violations like true party of interest or public safety violations. They are around traceability, security and pesticides. As we know from the many issues you have dealt with, there is a need for education and refinement, and revisiting these rules. I would like to suggest that many of those that participated in the black market that are working now may have unintentional violations. I would like you to consider those violations if prior to January 1, 2017 to not apply on new point assignments. The second issue may just require clarification. I was here last year when you received a request in the public comment period to consider rulemaking on allowing acquisition of up to three licenses. The direction I understood, was, that did not require rulemaking on behalf of the Board because it was a policy that could be revised. The LCB sent out direction in May of 2016, advising that after the first of the year 2017, the LCB would accept applications to assume second and third licenses. Then we held up to hear other proposals around producer licenses. Now it moves in to rulemaking. The problem is there is a number of people who were in need to sell their licenses who will now be held up 15 months before this can take place. I don't have any clients in this position, but I would say this would create financial hardship and also invite them to be tempted by true party of interest violations, which I don't think is in anyone's best interest. Two things; one, is there a reason to move this into rulemaking and if so, would the Board consider emergency rulemaking that would allow for those assumptions occur prior to August. Thank you.

Jeff Merriman – Tier 2 in Thurston County

Mr. Merriman thanked the Board for having the public hearing.

My main concern is the vagueness of the security fencing language. Then, adding square footage doesn't award anybody. The Tier 1s say they need it to add profit. What about looking at their business strategy and how they run their businesses. I believe in outdoor growing and run an outdoor grow, and my weed tests pretty good. My rosin tests at 94.18 consistently but doesn't cost very much. I'm at 0.06 per square foot for inputs. I think these people are counting on bulk, so I think if you are going to expand canopy it should be on reward. Look at the outdoor growers. We're supposed to be a "green state", look at our carbon footprint. If you grow in a warehouse, and Thurston County supports those, the artificial lighting isn't very carbon friendly. Reward the outdoor growers that can show a low carbon footprint. The issue of having three licenses is only going to cause a monopoly. I heard last year that several Tier 1s are being driven out of the market because retailers are in cahoots with other retailers and buyers, and if they don't like someone they won't buy their product and blacklist them. The license would go up for sale and get purchased by one of the friends of this retailer. If you allow the increase to three licenses and double the canopy size, it creates a good way for these people to work the system. It's a long game but its working. I think the ladder system is a good system to look at. Thank you.

Chair Rushford closed the public hearing and thanked everyone for their input, reminding that the public comment would be extended until the next hearing on August 9, 2017.

Joanne Eide addressed the recreational home grow study required in the passing of ESSB 5131, due December 1, 2017. The project plan has been developed so we will be reaching out to many stakeholders and will also be allowing opportunity for public input in September. Even though this isn't a rulemaking project, we still want to solicit your feedback.

## **5. GENERAL PUBLIC COMMENT**

Chair Rushford then invited citizens to address the Board regarding any issues related to LCB business.



Josh McDonald – Washington Wine Institute

Mr. McDonald thanked the Board. First, as we are going through the rulemaking on HB 1718, we wanted to make sure that the Board is aware that there are several wineries ready to apply for those wine auction permits as soon as they are available. Second, I wanted to let you know and recognize some people involved in the series of the LCB Washington Winery Laws 101 seminars. We had our first one yesterday in Prosser and doubled our expected attendance. Also, I wanted to recognize the LCB team and thank them for their help in putting the presentation together. The presentation focused on “what’s important for our wineries to know, what is confusing, how do we remain in compliance and how do we create an environment where we work as partners”. We have three more scheduled in Wenatchee, Woodinville and Walla Walla. Specifically I want to thank the team from LCB that were at the meeting yesterday that answered every question. Thank you.

Chair Rushford announced that the meeting was live on a WebEx broadcast today.

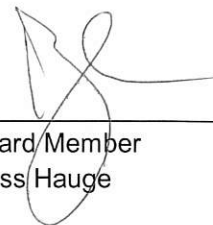
**5. ADJOURN**

Chair Rushford adjourned the meeting at 11:04 a.m.

Minutes approved this 9 day of AUGUST, 2016

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Jane Rushford  
Board Chair

NOT PRESENT  
\_\_\_\_\_  
Ollie Garrett  
Board Member

  
\_\_\_\_\_  
Board Member  
Russ Hauge

Minutes prepared by: Dustin Dickson, Executive Assistant to the Board

**LCB Mission** - Promote public safety and trust through fair administration and enforcement of liquor, tobacco and marijuana laws.

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