



Board Caucus Meeting

Tuesday, January 3, 2023, 10:00 am

This meeting was held in a hybrid environment

Meeting Minutes

CAUCUS ATTENDEES

Chair David Postman
Member Ollie Garrett
Member Jim Vollendroff
Dustin Dickson, Executive Assistant

GUESTS

Kathy Hoffman, PhD, Policy and Rules Manager
Jeff Kildahl, Policy and Rules Coordinator

At 10:00 am, Dustin Dickson announced that the meeting lobbies were open and the recording had begun.

EXECUTIVE SESSION – HUMAN RESOURCES REVIEW

At 10:01 am, Chair Postman announced the Board would go into Executive Session for Human Resources Review. He anticipated the Executive Session would be 30 minutes.

At 10:30 am, Chair Postman brought the meeting back to order.

BOARD MEETING PREP AND RULES UPDATES

Kathy Hoffman, PhD, Policy and Rules Manager; Jeff Kildahl, Policy and Rules Coordinator; Cassidy West, Policy and Rules Coordinator; Daniel Jacobs, Policy and Rules Coordinator

Kathy Hoffman: Good morning, Chair Postman, Board members Garrett and Vollendroff. Happy New Year. I will start with our rules update just because we have so much happening with all three rules coordinators on board now, so we can move some of our projects forward that we were hoping to move forward in a timely fashion. I will start with the alcohol side of the house. With the private club membership drive rule petition that we received last year, Daniel is planning on bringing a CR 101 on February 1 on that. We are really looking forward to seeing that move forward. We do think that is going to be a pretty prescriptive role project. Really, it was just changed, one change that the petitioner wanted to make, so we do not think that there is going to be a lot of stakeholder engagement involved with that. It could be fairly simple to move that one forward. We all know that wrenches get thrown in that sometimes, but we are hoping that this one is a fairly simple rule change. Daniel is also going to bring the cloud storage CR 101 forward tentatively on January 18, the next board meeting, making great progress on that as well. That is what we have going on for on the alcohol side of the house at this point.

I also wanted to share that Daniel is working on moving some of the previous requests from agency staff. These are small tweaks, if you will, to rules that have needed to be made over the years where we have redundancies or we have conflict within the alcohol rules sections. He is working on the work that Audrey started in that regard, and finding alignment where he can, thinking about repealing where necessary. It is a larger project, we may need to separate it into a couple of buckets of work, but he is doing that analysis right now and doing a really great job there, so thank you for that Daniel. Any questions before moving on to the cannabis side of the house? Okay.

With respect to cannabis plant canopy, Jeff is working on curating all the material that we received during our world cafe session. At this point, looks like he will be bringing some conceptual rules forward to the internal workgroup. Jeff, I am going to ping you on this. I am hoping we can have that ready to go by early February. I know there is a lot of interest in seeing those rules and move forward. Jeff, does that sound about right to you?

Jeff Kildahl: Yes, I am hoping to be on track for that kind of that kind of a timetable. I think that is my expectation.

Kathy Hoffman: Just to be fair, there was a lot of material that we called during the World Cafe session, so trying to distill that down is no small feat, and Jeff has done that with previous rule projects in such a great way. I know he can do it again here as well, of course, but just a lot of material for us to go through. With respect to advertising, Cassidy is going through the material that Robert worked on previously and hopes to bring that project forward for more internal work so we can start doing public outreach in the not so distant future. I am assuming that will be in February, as well. Moving on to rule petitions that we received with respect to cannabis and those have to do with the minors under 16 and in production facilities, and also bringing minors in with contractors. Cassidy plans to bring the CR 101 forward on that on February 14. Then finally, with respect to cannabis sampling, I heard that there was interest, a lot of discussion, around that at the Walker conference that unfortunately, I was not able to attend, but we will be bringing the CR 101 forward with that on February 1. Then I just wanted to add, Jeff will be hosting the quality control workgroup on January 5th, so that is Thursday. There will be 10 people on that workgroup, and we hope to have an interesting discussion around whether or not that quality control role on the cannabis side is doing what they are supposed to be doing.

Chair Postman: Question, Jeff, on canopy for either one of you, when talking about distilling all those comments, what does the end product look like? Will we be able to get a written summary? Is there something that maybe the two of you come in just to a caucus and share with us those thoughts, and we have a chance to read it and ask you about them or something? I just think the Board probably would like to kind of dig in a little into what we're hearing from stakeholders.

Jeff Kildahl: Certainly, I would like to bring an issue paper to you and go over it and brief you on what the ideas that came out of the World Cafe and from other comments have been so I would be very happy to schedule some time for that.

Chair Postman: Let us set some time in a caucus, a fair amount of time that we can really talk about what is in there and ask questions before you do too much on rural development, it would be good for us to catch up a little bit, I think.

Jeff Kildahl: Right, there are a lot of things to consider there, that is for sure.

Member Vollendroff: I just had a quick question about the quality control workgroup, and just was curious about the makeup. You said there are about 10 people, and are those internal or external? I am just trying to educate myself. What is your intended outcome for Thursday's meeting? Is this like the beginning of a series of meetings, or just a little more detail on that would be helpful?

Jeff Kildahl: Sure. Thursday's meeting is the first gathering, and we hope to just do introductions and to go around the table and hear from people and what their interest is, and in the quality control rules. I will be taking minutes and summarizing what we discuss; we are looking at the possibility of having up to six meetings throughout the year spaced two months apart. It is a one-hour meeting that we are starting out with, and we may need to expand that time or have just some committees or something like that, but hoping to get a fair evaluation of how the rules are working out. These are all members of the public save for one. There is one participant from the Department of Health who works in prevention there, and she is interested in the group, but there is representation from both sides of the mountain. There are some producers, some processors, some people who work with the inventory in retail locations who are interested in product quality and what they see for their own information. There are some other people who are medical users who have a perspective, a retired nurse who is a medical patient, so I think we should have an interesting mixture of perspectives.

Kathy Hoffman: That's great. Thank you.

Jiff Kildahl: Thank you. Any questions you have about it, I am happy to tell you more.

Kathy Hoffman: Anything else on the on the rules update side? Thanks for all of that, Jeff. Appreciate it. So, if I may, the only item policy and rules has on the agenda for tomorrow is to discuss the petition that was forwarded to our staff by Josh McDonald on November 9, asking the Board to initiate rulemaking to amend WAC 314-17015, and that pertains to class 13 alcohol server permit holders. That was extending the temporary allowance that we offered during the pandemic, making that into permanent rule. I have spoken with the three of you separately about the content of our recommendation, and without going into any of the details, I will just move directly to the conclusion, but I really wanted to emphasize the concerns of our internal staff about moving this petition forward, and the opportunity for us to engage across our entire authorizing environment, should the Board decide to accept this petition for rule inquiry in the future. I think it is clear that we do have the statutory authority to contemplate what is offered in the petition, but there is significant concern about the broader impacts and implications of moving this expired temporary allowance to permanent rule, and that is coming from our licensing division, our enforcement division, from our public health and prevention liaison as well. There are also some concerns around DEIB and social equity, particularly when contemplating extending an allowance like this on a permanent basis to persons who are between 18 and 21 years of age. Some of that has been discussed in World Health Organization literature that I can share with the Board, if you are interested in seeing it, as it will help with decision making, and I will send that to you after we conclude here. We do think it is worth a discussion at our level to bring persons across the authorizing environment together to talk about the public health and safety concerns, as well as the business concerns because that is primarily the onus for bringing this forward from bringing the petition to the agency. I will stop there, questions?

Chair Postman: You say you would send us the material on the social equity piece of this because of that, so if there is anything you can share before tomorrow, that would be great.

Kathy Hoffman: Yeah, I will; there is a World Health Organization report that speaks to some of the tension that we saw during the pandemic with employing persons, vulnerable persons, other persons into different roles and sort of exploiting that and, and how there is the opposite, there could be opportunity for

exploitation if we are using people sort of outside of where they should be employed, I think is a fair way to say it. WHO [World Health Organization] does a much better job of explaining it than I do here, but that is what they did.

Member Vollendroff: I have a quick comment, and that is that I think anytime we have a request, and we have the statutory authority, that it warrants a conversation, I think it is worth exploring, I will say, my initial thought is, I am not necessarily feeling supportive of this, I have to say, but I am open to the conversation, and I am really interested in what the research and data show, we know the research and data around brain development and youth and all that kind of stuff. This is different, and the logical part of me goes, 'well, what is the difference between pouring a beverage at a table versus pouring it elsewhere?' That gives me pause to stop and think, but I am really interested in looking at this further from the research side of things, and do we have any research, so thank you for bringing this forward.

Member Garrett: And I would love to hear the exportation part of things that they are seeing, because as I shared my conversations with you, I understand the business aspect of this and what is happening out here are in that industry when it comes to employees getting staff going to restaurants and seeing that they are half empty, because they do not have the staff to serve, to fill up the restaurants and stuff. I mean, it is here locally. It is an issue for all of the restaurants and staffing, and trying to employ enough people that want to work in hospitality. It is interesting to see the change of employees after COVID of wanting to come back and work in public and the public setting, which means something has to be done for these businesses to sustain and to survive. I am interested in that portion of it and how they see that, as giving more access for people to serve at the tables, is leading into something else, so I am curious as to what that report says.

Member Vollendroff: And I am interested in that as well. I am also interested in, are there are other alternatives to get to the same means? They are asking this, because they want a certain outcome, and that is great, and I think we should explore that, but I am also curious, have we explored other options that might also get to that same means without having this extend to 18 to 20 year olds doing this.

Chair Postman: If I could add one more thing? I would be curious, and I have not heard of any, but in the time that we had this allowance in place, have we had any reports of problems with any minors working in these facilities?

Kathy Hoffman: Yeah, that is a really good question. Did not receive anything back from enforcement on that, but I can certainly reach out. If the Board approves this for a rule inquiry, that is something that we can look into during those conversations that we have to determine whether or not we will move forward with rules.

Chair Postman: Okay. We can have that conversation tomorrow, too.

Kathy Hoffman: Absolutely. Two other things I wanted to bring up, this also affects another part of WAC and that is 314-11040. So there is not just one section of WAC that is impacted by this particular allowance. We talk about what persons under 21 can perform in facility. There are actually two rule sections at play here, not just one. I've forgotten what the second piece was my apologies. I will remember it tomorrow, I am sure.

Member Garrett: Kathy, quick question. Can we get the answer to David's question by tomorrow, that during this pilot were there any concerns from enforcement?

Kathy Hoffman: I am happy to reach out and find out. My pleasure. So that is all for us on the rules side of things today though.

Chair Postman: Thank you. Appreciate the presentation. See you tomorrow. That brings us to a Board member and executive assistant reports, if any Dustin, anything?

Dustin: Nothing for me. Chair. Just happy New Year. Good to see everybody.

Chair Postman: Same. Thank you. Members Vollendroff or Garrett, anything to share today?

Member Vollendroff: Nothing. Thank you.

Chair Postman: Okay, and we will say Happy New Year. Thank you all and we will be here tomorrow, same time for the board meeting. We will adjourn the caucus for January 3, 2023. See you all tomorrow.

Meeting adjourned at 10:49 am.

Minutes approved this 15th day of January 2025



Jim Vollendroff
Board Chair



Ollie Garrett
Board Member

Minutes Prepared by: Deborah Soper, Administrative Assistant to the Board

*Complete meeting packets are available online: http://lcb.wa.gov/boardmeetings/board_meetings
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