



Board Caucus Meeting

Tuesday, February 28, 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

Marc Webster, Director of Legislative Relations
Becky Smith, Licensing and Regulation Director
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
Rick Garza, Agency Director

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

At 10:00 am, Chair Postman convened the meeting.

LEGISLATIVE UPDATE

Marc Webster, Director of Legislative Relations

Marc Webster: Good morning, Chair Postman, Board Members Garrett and Vollendroff. Marc Webster the Legislative Director. So we're through the first two cut offs. And all our bills are, you know, where they should be. We're in a week without hearings without bill introductions, but there's a lot happening. The legislature will be on the floor most of this week and a bit of next week, how long they go each day isn't really known, but managing those sessions is a big concern for leadership. And I think some of our bills in the past have gotten kind of tripped up at this stage. So we want to make sure we do what we can to make it as easy for the legislature as we can. And so, why is that important to manage the floor action, because there are often a ton of floor amendments on bills, especially controversial ones. And so some bills can take a long, long time to move. And it also generates a ton of work for staff. Now, our social equity bill, I wouldn't say is as controversial as many that the legislature has to deal with, but amendments are definitely starting to fly around it. We're trying to keep our messaging around that bill clear, cogent, and consistent. Now in Ways, the three of you provided really timely input to decision makers, and I think that helped immensely. So we are probably going to be looking at a repeat of that coming up. We need to make it clear that the Board stands behind its Agency Request legislation, that we need it to move, that we're supportive of the bill. So stay tuned on that. I think we're going to be coming back to you with some different ways we can get that message out

whether it's a letter, whether it's emails, whether it's anything we need to do. You know, we'll come back and clarify that. Board Member Garrett and I were in a meeting with Senator Saldaña yesterday evening, and so we'll come back and clarify what we need from you, and when we need it. I don't know if you want to say anything more on that Board Member Garrett?

Ollie Garrett: No, you covered it. We are going to need the Board's help on some of this.

Marc Webster: That's right. Yeah. So there are, I think fewer moving parts as it were on the THC bill, but I do think it's in good shape. Kind of an odd alignment of stakeholders. The 502 industry is aligned with the prevention community in wanting to move that THC threshold lower than it is currently. And again, just as a reminder, it was lowered in Ways and Means from where we had it, which was one milligram per unit and three per package to point five milligrams per unit and one point five per package. So it was reduced in that committee, but I think we will see floor amendments to reduce it further. A few of the bills that we've been tracking didn't meet Friday's cutoff. Those were the home cultivation of cannabis bill, House Bill 1614, and the low proof spirits, or low alcohol beverage bill, Senate Bill 5375. Those had been scheduled in the fiscal committees but then they were kind of pulled off and thus didn't make the fiscal cutoff. Board Member Vollendroff and several of us on the staff are meeting with members of the prevention community to work through any remaining issues that might be hanging out there on Senate Bill 5365, the bill targeting youth, tobacco and vaping that has some impacts on what our education and enforcement staff are able to do. So you may have seen it this morning, but Policy Director Justin Nordhorn was quoted in a story about states attempting to regulate Delta-8 and hemp derived cannabinoids today. Austin Jenkins of Pluribus News wrote about it, and how Washington is one of many states wrestling with this issue. There are THC bills or versions of them, currently active in several states. So hopefully we'll have a good postscript to that story this session. And finally, it looks like the long-awaited hearing for your Board appointments is finally on the horizon. The Senate looks set to hear from you in early March. So don't hesitate to reach out if you need anything in preparation for that. That's all I have. So, be happy to take any questions.

David Postman: Question for you on the THC bill or really to the Board as well, but you know, so it's now at .5, industry would like it lower; prevention would like it lower; hemp would like it higher. And we've talked about this, Marc, and with Rick and others, but my view is it shouldn't go any higher for sure. If it goes lower, we're okay with that. Right? I think I would just say I'm okay with that. I think if there's a level there that we can get the bill, the lower that number is, the better it is for public safety and health, I believe. And I don't know if the Board has concerns about that, because we haven't sort of taken an official Board position on changing that. But I've told Marc that I'm certainly open to it, Jim and Ollie.

Jim Vollendroff: Yeah, I would agree with that. I think the lower the better. And so we started with a starting point and negotiating down, is fine, negotiating up is not.

Ollie Garrett: Agreed.

David Postman: Okay, great. Good.

Jim Vollendroff: I have one more thing that I'd like to add to this part of the conversation. And I don't know if now is the time for us to have this conversation, but I've talked a little bit to Marc about this. Marc, first of all, you have done a fantastic job this session so far, I think you've been a great addition to the LCB. So I'll put that out there and say thank you for your work, it's been

really great. I've had questions, this, again, is my first session with the LCB. And of course, it's been a busy session. And there's been a lot of things going on and have felt pretty well involved. However, there have been a few bills that have come up that I've been tracking kind of off to the side. And sometimes I'm wondering, well, why are we not talking about this bill? Or there will be a bill that's come up and it's like all of a sudden, it seems like maybe we have a position or we're not going to take a position and I just want to have a conversation at some point about, how do we as Board Members weigh in, and particularly on bills, that I feel like we should have a conversation to decide whether we want to take a position or not. Sometimes it feels like there's an assumption that we don't want to take a position. And I would like to figure out, is there a way that we could have a process in the future that involves the Board more in some of those conversations? So again, I don't want to have anybody think that I don't think anybody's done an excellent job, I think everybody has, I just feel like there might be a process that either 1, I'm missing or 2, is not necessarily in place.

David Postman: 100% agree. I guess the answer is there's a little of both. I mean, there is a process, but it's not so thorough. And, you know, we've talked about this a little bit. But, you know, there's some things I think just sort of historically the agency has stayed away from. Predating me or even Ollie or anything. And I think that when that comes to Marc, Rick and Justin and others go, oh yeah, here's the deal. And it just sort of falls to the side. And I would say, generally, they seem like those are the right calls to me. So that's the first level of filter, then there's some that come to me just because I'm meeting with them regularly, you know, and you two are not able to do it in the same way. But like the conversation we just had, or the brief comments we just had about lowering the level on the THC bill. I think really the best way to have that conversation, Jim is here at a caucus like that. And then you know, Marc I would just say when those bills, it could work both ways. I think, Marc, if you have bills that are on your radar, bring them on a Tuesday morning, and let's get the Board's feedback. And Jim too, when you do see these things, bring it up here and say, hey, can we take a position or should we, or I'd like to support it or not? I mean, I did this with home grow. You know, I wanted us to try to get to a position of supporting that home grow bill. And it frankly just didn't happen quick enough, and the bill died. But, you know, I think here would be the place to have that. It's just the easiest conversation then because you and I, all three of us can talk and hear the same thing from Marc at the same time. Marc, does that make sense to you logistically?

Marc Webster: Yeah, I think we do need a place, I think Board Member Vollendroff is right. And this is, you know, for me coming in new, I've often kind of struggled with that. Where is that forum where that can happen? And if we want to make the caucus that place, I think that's great. I think that we need somewhere so I think this works.

Jim Vollendroff: Okay, that makes a lot of sense to me. So I appreciate kind of the clarification. And also the clarification on if I see something, just bring it here, I oftentimes kind of wait and think it's going to come up and just feels like I maybe need to just be a little bit more proactive. I'll use the potency bills as an example, I don't think we've really ever talked about the potency bills. It's a moot point now, I don't think they've moved forward. But I would have liked, I think at some point, to have a conversation about them, and where do we stand? And it seems like we just kind of stood back and didn't really engage in a conversation about that. So there's an example of something that I should have brought earlier.

David Postman: Yeah, I think that's a good one. I mean, you know, Marc tracked those things, we talked about them a little bit in the Leg meetings, but it never even got to the level, I don't recall at

least of saying, should we take a position or not? It was just, you know, partly because tax issues are one of those things that historically, I was told when I got here, oh, we don't get involved. And I think that one does blend over on to the policy side pretty strongly, and there would have been nothing wrong with us entering that conversation, I would say. So, I would definitely not hesitate, Jim, and you could send it when you hear of something, send an email to Marc and say, what do you know? Can we talk about it Tuesday, and then Marc can put it on his list, and we can all weigh in on it.

Jim Vollendroff: That sounds great. What I would like to do is start setting the groundwork now for you know, who do we need to bring together between sessions and start having a conversation so that next session, we've already brought representatives in, industry in, other key stakeholders, and potentially at least come to some, you know, consensus or understanding where everybody is. So going into the next session because I imagine it's not going away, it's going to be coming up again. And maybe there's some work we can do in the interim, that might have us better prepared for next session around this issue.

David Postman: For sure. Not just that one. I think that's a good exercise post session, which is what was left undone that we think will come back and which of those do we think we want to have a role in? And think about that interim work, I think that's super smart. You know, some of these bills we see every year too, thinking about the commission one, you know.

Marc Webster: And home grow.

David Postman: Yeah. Should we sit down with a group and talk about that and say, here's where we think it could be improved? You know, then there's bills that policy wise seem pretty clear, but don't move, like arrest protection for medical patients. What can we do about that? How do we help build support for those sorts of things? So yeah, we can fill Marc's interim. Yeah, thanks for bringing that up, Jim. I think that's a great point. Okay, anything else Leg related?

Rick Garza: I just think it's a great conversation that we're having, because even Ollie last week had asked me, it perfectly fits into this Ollie, when you said about a bill that had come up before, "Rick, why didn't we take a position on that bill?". And that's just a lack of us talking about it. And because it was exactly what was said, well, Ollie, we've kind of taken this position in the past, which doesn't mean we should take that position today. But given all the flurry of bills and all of it, it's so true, I think Marc, a process by which even in the beginning of this session, we walk through all the bills and start thinking about positions we would likely take because it was almost too late at the point that Ollie talked to me last week about it. And she was good with it when we talked about it, but it was kind of like, where was I involved in that conversation? So I just think it's a really good point.

Marc Webster: Yeah, that's something that we get to do early in session.

David Postman: One of the other things that has dissuaded us at times is an unwritten, I believe rule, which is agencies don't support legislation that's not funded in the governor's budget. And so, you know, we have some leeway there as an agency, but still, it's sort of not cool to go and say, oh, we support this bill that would cost 10 million dollars that's not funded in the governor's budget. It's sort of, I don't know, that's clearly problematic as you can see. There are exceptions to that, and we can, you know, call the governor's office and talk about things if we have a concern about a fiscal impact on it. But some of the ones we've talked about would not

necessarily be a problem because of budget impacts. It's more policy statements and we should do that, but we just always have to remember that step in that process too, when we consider taking a position on a bill that's not ours. Is it in the budget? What is the fiscal impact? And how would OFM receive that information? Okay, great. Thanks, Marc. Thanks for all the great work.

Marc Webster: Thank you.

SOCIAL EQUITY PROGRAM UPDATE

Becky Smith, Licensing and Regulation Director

Becky Smith: Good morning, Chair Postman and Board Members Vollendroff and Garrett. Thank you for having me here this morning. I'm excited and happy to announce that, as you said, that tomorrow, Wednesday, March 1, 2023, we'll open our application window for social equity for retail, that application window will be open for 30 days. And so it will close on March 30, 2023. I encourage folks to go to our website if they haven't already and take a look at how to apply. It's important that they understand that they can only apply once and no matter how many times I say it I want to continue to say you can only apply once: you have to go in and create a SAW account, we have step by step directions on how to do all of the things that you need to do in order to apply to be a social equity applicant. Staff have worked really hard in order to help and educate and train our applicants on the process. Again, you know, that I am hoping to every week, just come forward and share with the Board where we are with our application window, how many folks have applied, that our intent is to send out letters to each person as they apply, just letting them know that we received their application. I do want to let you know that, and any folks that are listening, to let them know that they'll be receiving a letter, but it won't happen until after we receive their information. So probably a week out. So probably a week from today, we'll have our first look at everyone who has begun to apply for those social equity licenses. So with that, I want to see if folks have questions. And I'll stop there.

David Postman: Thanks, Becky. It's exciting to get to this point. And just as a couple points of clarity, when you say you know that people will be notified once we receive it, because it goes to our third-party vendor who's doing the initial processing. Is that what you're talking about? And then we are notified, so there will be a lag? Or are you saying we'll get it immediately from the person?

Becky Smith: So we'll get it immediately from Business Licensing Services (BLS), we usually receive a list each week of who's applied. We won't be sending that information in its entirety until the application window opens. But what we don't want is folks sitting out there wondering whether or not Business Licensing has received their application. Because they won't get notification from BLS.

David Postman: You're saying that there could be a week lag from when they submit it to when we're able to confirm that it was received?

Becky Smith: Correct.

David Postman: Okay. And just again, pointing out SAW, Secure Access Washington, that's just the login you have to create to be able to do this and you can follow that. On our website is the Frequently Asked Questions page where there's a place to submit questions, it's

socialequitylicensing@lcb.wa.gov. Social equity licensing is the email address for questions. All questions end up there eventually no matter where you send them, but that's the place where they should go. And what sort of updates will we be able to get during that 30-day window in terms of like, how many have applied or how many qualified, or does that only come at the end of the 30 days?

Becky Smith: So we won't be able to tell you who qualified, we will only be able to tell you how many folks have applied. Qualification, that will go to the third-party vendor and that could take months in order for them to finish with the work that they'll need to do. But yes, we'll be able to update you on the number of folks each week that have applied.

David Postman: Okay, good. That'll be helpful.

Ollie Garrett: This is Ollie, I also want to say thank you to Becky, and your team, this has been a lot of time, effort, and hours. We had a really good meeting this morning, with the third-party vendor, and Office of Equity. So the Office of Equity got the opportunity to communicate and talk with the third-party vendor over any concerns and things and to be briefed on the entire process, and making sure that they are involved in the process. So that was a really great conversation this morning. I think everybody left the conversation feeling really good about the work that LCB has done on being more inclusive, and communicating and working with the Office of Equity throughout this process and keeping them abreast of processes and where we are, and how things are going. And the third-party vendor was very complimentary of the LCB, their involvement in working with them, not just hiring them and saying "here, take this, run with it, check the box, go do it", that it has been really a great collaboration with the third-party vendor, the LCB and now bringing in the Office of Equity. So it was a great conversation this morning. Long, long conversation this morning, but great conversation this morning.

Jim Vollendroff: That's great. And I'd like to just also add my thanks. And you know, the hard work and acknowledgement of the hard work that you guys have done. I did have one question, a follow up question, Becky to something you talked about earlier. And you've brought it up multiple times so I know it's important, and that is that people can only apply once. My question about that is what happens if somebody does in fact, apply more than once? Do we take their first application and the second one is nil? Or do they both get kicked out? What happens if somebody actually does that?

Becky Smith: Yeah, we take the first application, and the second one gets ousted. So it's, as I've said numerous times, it's important that people know who they're getting into business with. And they want to make sure that they ask that question, have you applied? Or are you on another license? And it doesn't matter whether they are 51% ownership on that license, or 41% ownership or 10%, they can only be on one license.

Jim Vollendroff: Okay, so that sounds like that, of course, is really important. And so, if in fact you all of a sudden find yourself going into business with somebody, and you don't know that they're on another application, your entire application would get kicked out, if in fact that occurred.

David Postman: Right. So just to be clear then, if I applied by myself, and then later, Jim and I went into business, and we applied, does that entire second application get tossed? Or am I removed, and Jim survives?

Becky Smith: Nope, the entire application gets tossed.

David Postman: Your name can only appear once through this whole process. And so it's really like you said Jim, know who you're getting into business with, cannot be a part owner, anything else, your name can't appear on those things.

Ollie Garrett: We've been very clear in all of the work sessions with people on that. And just FYI, no, you and Jim can't go into partnership or apply, it will be a conflict. [Laughter]

David Postman: Thank you. All right, Jim, we'll find something else to do. And then is this different than how it was originally after 502? Could you have been on more than one application in the initial round?

Becky Smith: It is.

David Postman: Okay, so that's why also I think it's really important that people know it is different than it was. And okay, that's great. Oh, and have we been testing the sort of back-office part of this, the IT part of communicating with our vendor, etc.?

Becky Smith: Great question. So yesterday afternoon, my staff and I spent a couple of hours with our third-party vendor, and they went over their platform and now we're going to be doing testing. So we'll be testing to make sure that there aren't any bugs, or we hopefully will find the bugs. And they'll be able to work through them. They need to be ready to go in April. So this time, this month that folks are applying through business licensing services will give us the opportunity to work out all the bugs, but I tell you just having sat through their demo, it looks fantastic. They have done a stellar job in trying to think of everything that someone would need to know or, you know, how they add on each person, that they ask great questions throughout the application that they've developed. And, yeah, no, it was it was great, but great question.

David Postman: Good. Okay, anything else for social equity?

Jim Vollendroff: One quick thing, and that is, when I made my earlier acknowledgments, I did not acknowledge Board Member Garrett and I, as a Board member, want to just personally thank you for your heavy lift and your involvement in this, Ollie. Thank you for that.

David Postman: Yeah. Second that. Three years, I know you've been doing it, so it's much appreciated. Okay, great. Thanks, Becky. Good luck, let us know how we're doing.

Becky Smith: Thank you. I will, thank you.

David Postman: We will now turn to prep for tomorrow's Board meeting and a rules update. And there's Dr. Hoffman, I'll turn it over to you.

RULES TEAM 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: Thank you, Chair Postman. Good morning to you Board Member Garrett and Vollendroff. I share with everyone's excitement at seeing the social equity application window open tomorrow. It's a really big step. So thanks to everyone who made that possible. I'm going to do the update in two parts today. First of all, just provide a brief rule update, and hand it over to Jeff to talk about the CR 101 that he'll be presenting. And then I do want to give a little update on what's happening with rule petitions because we're seeing an uptick and we're also going to kind of change the way that we provide the recommendation document to you for consideration. So I'll go ahead and start with the cannabis rules in progress. So with respect to cannabis advertising, Cassidy continues to do work on that project, we do have a set of draft conceptual rules that are being circulated internally. She's staying on top of the timeline, we do anticipate bringing a 102 to you in June, as we have in the past with the 103 in August, so that project is progressing nicely. With respect to minors on production facilities, no changes there at this point from the last time I updated, still hope to bring the 101 to you by late April, and that would have the project done by late November. So work continues there. Jeff will brief you on the 101 for cannabis samples, and then provide you with a timeline there and then wanted to share that I'll provide an update on canopy and the pathway forward there in next week's caucus. So a little more internal conversation happening, but I will have a robust update to provide next week. So questions on cannabis rules in progress at this point over the other. Okay, so with respect to alcohol on the MAST13 rule petition that Daniel is working on putting into a CR 101 package. I think that package will be shared with the Board probably this week and is scheduled for presentation to you formally during a Board meeting, the Board meeting on March 15. So under that timeline, he'll bring the 102 in late June, with possible adoption in early August. So that project is coming along nicely. Jeff will be bringing private club memberships petition to you in the form of a 101 in the coming weeks that was just assigned to him last week. So I'll have some firm dates on that for you in the future. But that has been assigned and you will see a 101 package on that very soon. And then with respect to general rulemaking, Daniel continues to work on the cloud storage project. We're working on a very brief survey to kind of scope stakeholders' sort of ideas about cloud storage. So Daniel's working on putting together a survey there. And the timeline hasn't changed for that project at all, 102 mid-May, early May and then final adoption hopefully mid-July. So that's it for the rules update. Any questions on any of that and I'll kick it over to Jeff. Go ahead Jeff.

Jeff Kildahl: Thank you, Kathy. Good morning, Chair Postman, Member Garrett and Member Vollendroff. At tomorrow's Board meeting, I will present a CR 101 package to initiate rulemaking to consider updating WAC 314 55 096. And this is a rule section concerning cannabis product samples. So for a brief background of the CR 101 package, the Board accepted a rulemaking petition on August 31, 2022, from Vicki Christophersen of the Washington CannaBusiness Association to consider rulemaking for possible updates to cannabis sample rules concerning vendor, educational, and internal quality control samples of cannabis products. The petition states that the current rule is cumbersome and costly to licensees and identifies three possible areas of change to consider, including allowing larger retail size packages of cannabis products as samples, placing monthly limits of samples on processors so that retail stores don't have to worry about turning away or returning samples. And a third area of interest in the petition was a consideration of removing the internal quality control sampling restrictions that are included in subsection 4 of the WAC. Although there could be some potential risks in changing the sample rules, it is appropriate to explore how these changes could streamline business practices for cannabis licensees. And in looking at some of the other states, Michigan and Oregon do allow trade samples of cannabis products, Utah, and Montana don't. So there seems to be a mixed take on this among other states. So the CR 101 will be published in The Washington State

Register on March 15 if it is accepted tomorrow, then we first see a CR 102 package coming before the Board on May 24, 2023. And a possible date for a CR 103 filing of August 16 of 2023. So I'd be happy to answer any questions you have about this CR 101 package, and I'll be presenting it in more detail tomorrow.

David Postman: Can you just tell me a little bit about the quality control piece? You said it would also call for changes in the internal quality control processes or practices.

Jeff Kildahl: Yeah, they've asked for consideration of the streamlining of subsection 4 of the WAC to make the internal quality control sampling restrictions more consistent with those that breweries have so that they're permitted to take samples along the way of the product that they produce. So that was the interest in the petition to consider loosening up the sampling restrictions that are currently in rule. And it's just for safer quality, not quality control in terms of lab testing, but quality control in terms of production standards.

David Postman: Thank you. That's why I was confused. When I hear quality control now, I think of testing but okay, thank you.

Jim Vollendroff: One thing that I'll be looking for along the way is input from producer, processor, and retailer so that we make sure that we're getting feedback from all different levels of the industry side, so just keeping that in mind.

Jeff Kildahl: Okay, yeah. Thank you. That's a great thing to remember. Okay, thank you.

David Postman: Thank you for that. Appreciate it.

Kathy Hoffman: All right. Thanks, Jeff. So just moving back to rule petitions. As you know, we've already received two rule petitions regarding cannabis rules this year. And since we last met, we received two more petitions that have to do with alcohol rules. The first is a request to allow restaurants to have wine lockers, where customers can hold wine products that are either purchased from the restaurant, or their wine products that they wish to bring into the restaurant stored in a locker. So that was received last week. Yesterday, we received a petition that has to do with acceptable forms of ID, and is a request to add Global Entry cards to the list of acceptable forms of ID. Right now we already allow passports, Nexus cards, those kinds of things, but they want to add Global Entry. So just want to make you aware of those, bring recommendations for a recommendation document for you to consider towards the end of April for both of those. But I wanted to talk a little bit about our process to bring a recommendation to you. Up to now, we have always worked internally with our divisions to develop a recommendation to the Board, and don't offer any options about other things that the Board might consider in terms of should you accept the petition, should you not accept the petition, are there any alternatives, and we'd like to move to a model where we get away from providing a recommendation and instead offer you the options. So in the rule petition responses that we provide to you, the first two that will come to you will be on the medical cannabis endorsement or the endorsement of stores that sell medically compliant product. So that is the request that would be for the Board to consider something in rule that would have a discontinuation process to allow those businesses to either surrender their endorsement or for the agency to ask someone to surrender their endorsement if they're not using it, if they're not selling medically compliant product, or they don't have any consultants working with them, right? And then the other petition had to do with an alternative in terms of the exchange of money when cannabis is sold from a producer processor to a retailer or something

like that. So allowing like three days for a check to arrive in the mail or something. So the way that these responses would come to you is, you know, presenting the petition, presenting the issue that's offered to the agency to consider by the petition, providing our analysis of the issue, providing you with the full spectrum of responses and feedback from our divisions, a complete DEI analysis, social equity analysis, as well, impacts on other agencies if there are any, and then three options to consider. So that the Board in an open Board meeting can decide what to do with the petition. We feel that this is going to even enhance the transparency of our deliberative processes within the agency. And also really gives a great idea, we think of the options available to the Board. And of course, the first option is always to not accept the petition. Second option is to accept the petition and engage in rulemaking. And then the third option is, you know, typically to do some other form of addressing the issues, that could be issuing guidance, addressing the problem in some other way. But we want to discuss the risks and benefits of each of those options with you. That'll be a part of the document that we provide to you. So it will give you some things to think about when we bring the presentation to the Board on a particular rule petition. And I will stop there, I know that's a lot to digest. Any questions? Comments, thoughts?

David Postman: I think it's a great idea. No, I think we should do that. I think we all benefit from having these conversations here. I know that, you know, even though staff does a great job briefing, I always learn something from Ollie or Jim when it comes here. And it's like, oh, yeah, I hadn't thought about that. So let's have the conversations here. And we can all weigh in and talk about it. And you know, I think it requires us of course, to be confident enough to ask those questions out in public, but also staff is going to have to meet us there too and be able to talk about different options and the pluses and minuses of things like that. And we all just have to have an understanding that it's going to take those kinds of conversations to come to good decisions, and people shouldn't be afraid of saying something wrong or giving an opinion. I mean, that's why we hire smart folks. So I think it's a good idea.

Jim Vollendroff: I agree, I think it's a great idea. I appreciate the opportunity to have the dialogue with the other Board Members. And I do think, as you mentioned, Kathy, that it adds to transparency. I mean, we have an obligation, I think, to have some of these conversations and to ask questions. And, you know, I do think that sometimes it may slow things down. And I think that's okay, as we have more dialogue. But that may be part of the outcome of some of this but appreciate the opportunity.

Kathy Hoffman: And if I may, it just seems that having those robust discussions in public, in a public forum like this, I think is going to, it's a great, it's a step in the right direction, or in a good direction, I would say, for continual policy development in this way. And allows us to have those conversations live, which is going to be helpful. Again, we're just going to try this for, I'd say, these next four petition responses. And then we can reassess and see if it's, if we're getting the results, if we're working in the direction that we'd like to go in or if we need to tweak the process, but we want to give it a try.

David Postman: Related to one of the ones you mentioned as an example on the DOH compliant product, and around that, that issue of what we're doing, and how we do it is of great importance to me. I know there's others in the agency to whom it's a priority. And I would just say I, and Rick and I talked about this yesterday so it's not a surprise, but I think we should have a conversation in this forum at some point soon a briefing from folks on what the current status is, what are we doing currently, outside of just the petition response. You know, I think that would help me come to the right decision on that petition and other related issues. I just really think we, and I really

want to hear from other board members too in that conversation, you know, what should we be doing about that piece of our job? So we just need to figure out a time to do that and figure out who all from our staff, and maybe we invite someone from DOH as well. I think we should get someone from DOH for a really thorough briefing for the Board, number one, on what is the process, how it's going, what are we doing? And then for us, I think internally at the LCB. Then the next question is, and what are we doing about that information today? Do we think we need to do better or what, and how to do it. Then that helps both inform us our position on that petition, but also just in general, what should we be doing? Is there something that needs a legislative fix, and should we start thinking about next year or whatever it is, but that issue, I just think, is really important. And I know that Licensing in particular has been working really hard on this, which is appreciated, but we just should have that conversation here so we can level set as they say. So I'll work on that. I'll follow up with a note, but we should just make sure we get the right people in the room for that.

Kathy Hoffman: Agreed.

David Postman: Okay.

Kathy Hoffman: Well, I don't have anything else to share today. But thanks for the time. See you tomorrow.

BOARD MEMBER AND EXECUTIVE ASSISTANT REPORTS

No reports.

Meeting adjourned at 10:45 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

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