



## Washington State Liquor and Cannabis Board Meeting

Wednesday, March 15, 2023, 10:00 am  
This meeting was held in a hybrid environment

### Meeting Minutes

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#### 1. CALL TO ORDER

Chair David Postman called the regular meeting of the Washington State Liquor and Cannabis Board to order at 10:00 am on Wednesday, March 15, 2023. Member Ollie Garrett and Member Jim Vollendroff were also present.

#### 2. ALCOHOL RELATED RULEMAKING

##### **ACTION ITEM 2A – Board Approval of CR 101 for MAST 13 Permit Privileges Daniel Jacobs, Policy and Rules Coordinator**

Daniel Jacobs: Good morning, Chair Postman, Members Garrett, and Vollendroff, and members of the public. I am here this morning presenting on the CR 101 on MAST 13 permits and requesting the Board's approval of this filing (HANDOUT 2A). The Board agreed during its January 4th meeting to initiate this rule project after receiving a petition from the Washington Wine Institute on MAST 13 permits. The petition requested to make one of the COVID allowances permanent in rule. MAST 13 permits are issued to those under 21, to allow them to serve alcohol under circumstances that don't quite rise to the level of bartending. Importantly, MAST 13 permit holders cannot pour hard alcohol and are usually not allowed behind the bar, although there are some narrow exceptions. Currently, rules allow MAST 13 permit holders to pour beer and wine at the customer's table, and during the pandemic, an allowance was made for them to pour beer and wine away from the table to both facilitate social distancing and to help address the labor shortage. This allowance expired this past September.

If approved today, there will be a public comment period until Monday, April 17th. As indicated in the tentative schedule I have included in the materials, proposed rules could be presented for approval in mid-June, which would set a public hearing at the end of July, and rules could be in effect by early September, assuming the CR 103 is approved. Based on this, I would ask for your approval to file this CR 101 today. Thank you, and I am happy to answer any questions.

**Member Garrett moved to approve the CR 101 for MAST 13 Permit Privileges. Member Vollendroff seconded. The motion was approved unanimously.**

#### 3. CANNABIS RELATED RULEMAKING

##### **ACTION ITEM 3A – Board Withdrawal of CR 101 for Cannabis Plant Canopy Kathy Hoffman, PhD, Policy and Rules Manager**

Kathy Hoffman: Good morning, Chair Postman, Board Members Garrett, and Vollandroff. This morning I would like to ask for your approval to withdraw the CR 101 we filed last August concerning cannabis plant canopy. We discussed a bit of background on this this week in Caucus and last week in Caucus. But very briefly, our Enforcement and Education Division released a document in April of last year confirming our approach to measuring plant canopy. And following that release concerns were raised by licensees and stakeholders about the protocol related to the treatment of pathways between rows of plants in the overall canopy measurement. We listened to those concerns, and in late June of last year Director Wax notified cannabis licensees that the protocol related to canopy enforcement would be paused while those conversations with our licensees and stakeholders continued. So following discussions we entered into rural development, and that is when we filed the CR 101.

We held two very robust stakeholder engagement sessions in October and November of last year, and we learned a lot from our participants. Themes ranged from deconstructing the tier system to conducting individual plant counts. But the majority of the feedback that we received asked that we just interpret the rule and apply it consistently. And after additional internal discussion the project team concluded that further rule development wasn't indicated at this time based on stakeholder feedback and that we would work on issuing an interpretive statement. So with that in mind, we would like to withdraw the CR 101 at this time and issue an interpretive statement on or about April 7 of this year. So with that, I would like to ask for your approval to withdraw this CR 101, and that is WSR 22-18-058. And happy to answer any questions.

Chair David Postman: One quick one. Could you just remind me of what the timeline would be for the interpretive statement?

Kathy Hoffman: Well, we are developing the interpretive statement right now, and we plan on issuing it on or about April 7th.

Chair David Postman: Oh, April 7th.

Kathy Hoffman: Yes... of this year.

Chair David Postman: Right. You said that. Okay. And then that goes into effect immediately, right?

Kathy Hoffman: Immediately.

Chair David Postman: Right. Okay.

Chair David Postman: Which we believe is in time to get ahead of this year's growing or at least planting season, correct?

Kathy Hoffman: That is correct.

Chair David Postman: Yeah, okay.

Kathy Hoffman: And we will coordinate that messaging with Enforcement, so more to come there. And we notified stakeholders, or at least messaged stakeholders, last week about this approach moving forward.

Chair David Postman: All right. Okay, Jim?

Jim Vollandroff: Chair Postman got to some of my questions, but I did have one quick question related to the stakeholder engagement. Can you give me an idea, Kathy, how many participants we had in those stakeholder meetings? Just out of curiosity.

Kathy Hoffman: Yeah. That is a really good question. I believe in the First World Café we had well over 100 participants.

Jim Vollendroff: Great.

Kathy Hoffman: I think there are a few less -- I want to say somewhere in the range of 80 -- on the Second World Cafe, but they were very well attended. You know, I want to share some of the attendees were LCB employees in the first session. There were more LCB employees than not. But in this -- but both sessions were well attended by our licensees and external stakeholders.

**Member Vollendroff made a motion to withdraw the CR 101 for Cannabis Plant Canopy. Member Garrett seconded. The motion was approved unanimously.**

#### **4. GENERAL PUBLIC COMMENT**

Jim MacRae: Thank you very much. Happy Ides of March. I wanted to do something that aligns nicely with today. First of all, I want to thank you, Chair Postman, for responding to my inquiry and my concern that I expressed two weeks ago at the Board meeting regarding a lack of response that I had received from the Board on my inquiries regarding what I believed to be a case of corruption regarding Director Garza. One of the traditions of The Ides of March is that it was a time in Rome when traditionally where debts were settled, and I have a debt in this one. I want to apologize, first of all, to Director Garza for calling out corruption specifically as it related to what appeared to be a questionable inflation of salary when he brought his ex-boss back from the Department of Licensing for a 6-month stint near the end of 2018.

As you pointed out when you looked into it a couple of weeks ago, the state OFM salary database for state employees is not just salary. In the case of the individual in question, it included a bunch of unused vacation and holiday time, so the number was inflated. And so one of the core pieces -- well, the core piece of data that I use to infer corruption was that salary number. The fact that it was not salary is wrong. So my apologies to Director Garza on that. I would welcome any counsel you can give me on how to correct the matter. I am not trained as a reporter, but I do have high standards, and objectivity is a big part of that. What I do intend to do is to put a disclaimer in the post in question, which is the last post that I put on my blog awaiting a response for a year and a half from the Board. But I will put a disclaimer right up front in that post basically outlining the facts as you outlined them to me, Chair Postman. And thank you again for doing that.

I will also go back to Facebook because I announced the post on Facebook a year and a half ago. So I will dig that out of Facebook, and I will share it with the world with the same disclaimer appended to the front of it. And those are basically my plans. My apologies, again, to Dr. Garza. And thank you for getting to the bottom of it, Chair Postman. I do appreciate that effort.

Chair David Postman: Thank you. And I really appreciate that. We don't give things second thoughts enough, so I appreciate that. Then, in keeping with the Ides of March, I'll tell you, I know I owe you an apology for not sending that to you a year ago. At that point, or it was even longer than that, I think, I was relatively new here. It was just looked into, didn't seem to have legs and just passed on it. But clearly given your response today, it tells me it would have been better to engage and let you know, so I will work on that as well. I appreciate that very much, and I'm sure the director will as well. I think what you lay out there is a great way to make that clear on the record. That is great. So it is better Ides of March than it was for Caesar then because things didn't work out as well for him. So thank you for that.

## 5. ADJOURN

Chair David Postman: The last thing I want to do is just share a reminder about the Social Equity Licensing Program. The license applications are open. It closes on March 30th so just about two weeks. You can go to our website, and it is really clear from the top how you can navigate to the specific social equity site if you have any questions. A couple of things. Here are reminders that I just want to share for applicants. You can only apply for a Social Equity License once, and so your name can only appear on one application. You can't be a partner with one person and then put another. The program is for retail licenses only, producer processor licenses are not available as part of this program. You cannot make changes to your business structure after you submit the application, so make sure it is correct before you do the submission.

And when the window closes on March 30th, we have hired a contractor who we have talked about here quite a bit, Ponder Diversity Group, they will take over. They will reach out with a link to create an account to submit the verification documentation that they are going to need to back up your application. After you apply, check your business licensing account to ensure the application was submitted and payment was made. Applications that are incomplete or have insufficient funds on March 30th will not be processed. So just a few reminders. Again, you can go to our social equity site. There is a great checklist there for things to do leading up to the submission. There are some frequently asked questions that have been growing, and there is a lot of good information there as well. So I just encourage everybody in our last two weeks here to dig in there and do that.

With that, any parting words from the Board? Okay. Great. Then we will finish. Thank you, everybody, and we will adjourn the Board Meeting for March 15, 2023. Have a great day, everybody.

Chair Postman adjourned the meeting at 10:52 am.

Minutes approved this 26th day of February 2025.



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Jim Vollendroff  
Board Chair



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Ollie Garrett  
Board Member



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Peter Holmes  
Board Member

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

**LCB Mission** - Promote public safety, public health, and trust through fair administration, education, and enforcement of liquor, cannabis, tobacco, and vapor laws.