



## Washington State Liquor and Cannabis Board Meeting

Wednesday, August 30, 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, August 30, 2023. Member Ollie Garrett was also present.*

#### 2. APPROVAL OF MEETING MINUTES

**Member Garrett made a motion to approve the August 22, 2023 Board Caucus Minutes. Chair Postman seconded. The motion was approved.**

#### 3. ALCOHOL RELATED RULEMAKING

##### **ACTION ITEM 3A – Board Adoption of CR 103 for Privat Club Membership Drives Daniel Jacobs, Policy and Rules Coordinator**

Daniel Jacobs: Thank you, Chair Postman, Board Member Garrett, LCB staff, members of the public. Good morning. I am here to request approval of the rulemaking order, also known as the CR 103 regarding private club membership drives (HANDOUT 3A). If approved today, this rule change will be in effect September 30th. Private clubs are allowed to have membership drive events under current rules as a mechanism to recruit new members, and at these membership drive events, club liquor can be given or sold to attendees as part of these events. Normally, only club members are allowed to consume club liquor, but these membership drive events allow the club members to invite guests and members of the public to the clubs, the goal idea being to incentivize them to become members. For anyone interested, the specific rule here is Washington Administrative Code 314-40-040 Section 6.

Currently, private clubs are allowed to have one membership drive per quarter or four a year, and they are not allowed to have events on consecutive days, and I gave this example yesterday during Caucus, but I'll repeat it again. Let's say just because of how the quarter works, the last day of Quarter 1 is a Tuesday, and the first day of Quarter 2 is Wednesday, currently under our rules, you wouldn't be allowed to have your Quarter 1 event on the Tuesday and the Quarter 2 event on the Wednesday because that would be two days in a row. The

Board received a petition back in July 2022 from a member of the Vancouver Elks seeking to make two changes to these rules. The first change was to expand the number of membership drive events from one to two a quarter, or eight a year, and the second would be to allow consecutive days of membership drive.

The Board accepted this petition in September 2022 and because of other rules that were underway and staffing issues, various things -- I think I got hired during the interim -- but the CR 101, which is the pre-proposal statement of inquiry, the first step in the making process wasn't filed until March 2023. Draft rules were circulated in early May, and these draft rules reflected the requested changes. They expanded the numbers of membership drives from one to two per quarter. They allowed consecutive membership drives, but they also added an additional limitation, and the additional limitation they added was that they said that there has to be seven days between membership events.

So going back to the example I gave where Quarter 1 ends on Tuesday and Quarter 2 starts on Wednesday, you could now have a two-day event during one quarter and certain private clubs will have certain events for Cinco de Mayo, Labor Day, or Halloween, Oktoberfest, whatever it is, and they'll want sort of a two-day event. But under the current proposed rules, what the rule would say basically is, you can't have your one-day Quarter 1 event on the Monday and your one-day Quarter 2 event on the Friday. If you decided to use your two-day membership event for the year, you could have the two-day membership event on Thursday and Friday because that would be in Quarter 2. But under this proposed rule, you have got to have a week separated between membership events, and by membership event, we're referring to a membership drive given that we're now including your two-day event as one single event. I know that's a little confusing and I said the word event a whole bunch, so I'm more than happy to answer questions here once I'm done explaining the rest of it.

The public was given two weeks to comment on these rules, and while some comments came in after the two weeks, we still documented all those rules. And -- if anyone's interested, they could look at the CR 102 on our website to look at the comments. We received almost universally supportive comments. I think there was one or maybe two comments that weren't supportive. But most of these comments were from private club members who said this a great idea. This going to help us expand our membership. And based on that, we continued to the rulemaking process. The CR 102 was filed July 5th. The public hearing was held during the prior Board meeting on August 15th. We received a single comment between the CR 102, which is when we officially published the draft rules, and the public hearing on August 15th. And that rule -- that comment didn't actually ask for any changes to the proposed rule language.

We also had one person testify during the hearing on August 15th, and they didn't ask for any changes either. Because no one asked for changes, we are proposing to file and make permanent the same rule language that we circulated in May because we haven't received any comment or any indication that anyone thinks it's a bad idea. If approved today, again, like I said, the rules will become effective September 30th. I'm happy to answer any questions, but based on this, I am requesting approval for filing the 103 today.

Chair Postman: Okay. I do. I have a quick question for some clarification. Yesterday, I really had this clear in my head, today not so much. So we're going from one per quarter to two per quarter. But I thought -- and the one I'm confused about is the consecutive thing. I thought those rules would allow one consecutive, so you could do a Thursday in Quarter 1 on a Friday and Quarter 2 together. But now I thought you said today you can't do that. So that's where I'm confused on the consecutive part.

Daniel Jacobs: Sure. And that's fine because folks have actually had this question, too. So under both sets of rules, under our prior rules, you couldn't do the day one Quarter 1 event Tuesday and the day two Quarter 2 event Wednesday. You still can't do that. What you can do is you can have a single two-day event in a quarter, right? Because now what we're saying is you don't need to have one event per quarter, you can have two days per quarter.

Chair Postman: So with two per quarter you can do those anytime you want. They can be together, they can be a week apart, they could be a month and a half apart.

Daniel Jacobs: Right. So yeah. You can have two per quarter, but they said so you can have them a month apart, but they said we'll give you one opportunity per year to do a two-day consecutive drive. So if you want to do something like a Thanksgiving and Black Friday event where folks all have the long weekend off or, like I said, Cinco de Mayo, St. Patrick's, whatever it is, they can do that once a year. But what we're saying is for the rest of the time, give it a week of separation between these membership events.

Chair Postman: Got it. Okay, great. So once a year they could have a two-day event, and they also under the proposed 103, we're increasing the total number a year from one per quarter to two per quarter, so they get to go from four to eight per year. One of those can be done as a two-day consecutive event a year annually.

Daniel Jacobs: Exactly. But the two-day event would use up their two per quarter.

Chair Postman: Right, right. Yeah. It's not a bonus day. You can just use those that way.

Chair Postman: Seeing no questions, we would entertain a motion to approve the 103, increasing private club membership drives from one to two per quarter and as Mr. Jacobs explained.

**Member Garrett made a motion to approve the CR 103. Chair Postman seconded. The motion was approved.**

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

*Chair Postman invited citizens to address the Board regarding any issues related to LCB business. The Board heard from the following people:*

Peter Manning: Good morning, Board Chair Postman, and Board Member Ollie Garrett, and Board Member Vollendroff. We at Black Excellence in Cannabis would like to say that we are confident once again in support of this agency and the new approach that have taken towards social equity. We understand that potentially today could be the day that the applications will return from Ponder to the LCB. However, we haven't confirmed that, but if so, how long is it going to take for you guys to release information to the general public and those people that applied for the social equity license? We would like to know that as well. I really have nothing to say other than you know I've been in this fight since 2014, and I struggled to get my point across about the lack of inclusion of black and brown for many years, and I'm hopeful that things that transpire over the next couple of weeks will validate and vindicate my effort and those efforts of those people that have joined in the fight for equity.

I really appreciate this Board's approach under Postman's leadership and under Ollie Garrett's leadership and Vollendroff's leadership. I think that we are like this close on the cusp of making things right in Washington when it pertains to cannabis and inclusion. I'm really hopeful that we can all work together collectively to move forward to make this a family affair, a family event to where we all can benefit, and the boardroom could be filled with black, white, yellow, red, whatever nationality that person may be, gender and all, and we can explore and experience cannabis equally on an equal playing field and equal level. Thank you.

Mike Asai: Good morning, Chair Postman, Board Member Garrett, Board Member Vollendroff, and those present. I'm Mike Asai, Vice President of Black Excellence in Cannabis, also known as Emerald City Collective. It is the first downtown dispensary 2010/2011. I echo what Peter said. It's been a long, long haul for a lot of us in this industry that were the pioneers, and just as I've done before, I want to give thanks to Peter, thanks to Board Member Garrett, and those who have been supportive of social equity in Washington. As Peter said, we have a long way to go. But I truly believe as Peter and I and our organization, and I think a lot of people in the community see that there is change going on. You can't change things overnight, but changes happen, and we're hopeful that the licenses that are going to be going out, 46, that the majority go to black and brown and those who are affected by the war on drugs, obviously.

And the only thing -- don't get too nervous. I'm not doing any big presentation, but I just wanted to show for 5052 in 2015, this was the amount of documents you needed. Okay. For social equity, you needed this, a binder, okay? So if going forward with 5080, something can change with that as far as documentation. Obviously, we know this is the first time around for this social equity but just wanted to bring that to the Board's attention that you needed like four documents in 2015, where here, like I said, you literally -- actually, it's not even -- need actually more than this. But anyway, we just thank the Board for what they've done with this. We can always hold you accountable if we've seen something that's not to our liking, not to the community's liking, but we're solution based. We're here to just have solutions and move forward in a positive

manner. And Washington can really -- this is an opportunity for Washington to really be a positive face for social equity in the nation, so thank you.

## 5. ADJOURN

Meeting adjourned at 10:18 am.

Minutes approved this 3rd day of June 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

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| <p><b>LCB Mission</b> - Promote public safety, public health, and trust through fair administration, education, and enforcement of liquor, cannabis, tobacco, and vapor laws.</p> |
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