



## Washington State Liquor and Cannabis Board Meeting

Wednesday, January 3, 2024, 10:00 am  
This meeting was held in a hybrid environment

### Meeting Minutes

#### 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, January 3, 2024. Member Jim Vollendroff and Member Ollie Garrett were also present.*

#### 2. RULEMAKING TIMELINES – ALL INDUSTRIES

**Cassidy West, Policy and Rules Manager**

Cassidy West: Good morning. Thank you. Chair Postman, Good Morning, Board Member Vollendroff, and Board Member Garrett. I will go ahead and start off with tobacco rulemaking for the first time in a while. Denise will be presenting a CR 105, which is an expedited rulemaking form to implement provisions of Engrossed Substitute Senate Bill 5363 regarding increased penalties for licensed retailers selling and giving cigarette, tobacco, or vapor products to persons under 21 years old. So because it's an expedited rulemaking, there's no stakeholder engagement. It is putting in the explicit and specific requirements to align with statute. So that will be presented at the next Board meeting. I don't know what the date is, but two weeks from now.

Moving on to cannabis. The THC bill, we will have a survey going out next week as a follow up to the stakeholder engagement that was held in December, and then we are going to have another round of stakeholder engagement to review proposed draft rule language. The survey responses will be used to inform the draft rule language, and so we're expecting to present the CR 101 to the Board at the end of February, and there will be a lot of stakeholder engagement from now and then to finish that up. The survey, like I said, next week, and people can look in the Laws and Rules website to get access, but we'll also send around a GovDelivery message.

Okay. Social equity. So a few updates since yesterday. We're going to extend the informal public comment period through February, but this is still aligned with our tentative timeline for public engagement sessions to be held in February and March, and so this is just potentially pushing back the CR 102 instead of April 10th to the Board meeting after that. And so it's just a little push back to allow for a little bit more commenting. Any question about that change?

Chair Postman: No, it sounds good.

Cassidy West: So cannabis sampling, again, took an early on pause. The last action, just as a reminder, was the stakeholder engagement that was held in October to discuss various policy options. We will resume working on the project in February, and then next steps will be holding stakeholder engagement to review draft proposed rule language. And then -- we'll be expected to present that CR 102 in March or April. Minors on Premises. I mentioned this yesterday. This is a petition that was submitted in 2022, and we are requesting comment from the public -- to see if we should initiate rulemaking or not. So -- the comment deadline for that will be on February 3, 2024, so one month from today. And so people can look on the website today, and I'll have the petition up and also a blurb on commenting, you know, what kind of specific information we would like to hear from the public and what all of that looks like. Okay?

And then we have two petitions. So we have a heavy metals petition, requesting that heavy metal testing be required, and we also have a petition for cannabis regarding shared equipment and surveillance for facilities that are owned by the same entities, so both of those will be presented on January 31<sup>st</sup>. All right. And then that's it for me. I'm going to pass it to Daniel.

### **3. ALCOHOL RELATED RULEMAKING**

**Daniel Jacobs, Policy and Rules Coordinator**

#### **ACTION ITEM 3A – Board Approval of CR 102 for Trade Areas**

Daniel Jacobs: I'm going to present the Trade Area 102 today (HANDOUT 3A). The medical cannabis endorsements timeline, as I mentioned yesterday during Caucus, I think that's going to get pushed out because we tentatively had the 102 scheduled to be filed on January 31<sup>st</sup>. But as you heard, the 31<sup>st</sup> is looking like it's going to be a pretty full Board meeting with the 5448 Alcohol Delivery 103 and two petitions. So now our tentative timeline for the medical cannabis endorsement would have us filing the 102 February 28<sup>th</sup>, which would put the public hearing April 10<sup>th</sup>. And then the rules filed April 24<sup>th</sup> and in effect by the end of May. Regarding the shared spaces petition, I think I would have forwarded that to Dustin, but I can make sure to get that all to you, those materials. I think that would have been forwarded, but I can double check after this.

I'm going to proceed with my Trade Area presentation. Good morning, Chair Postman, Members Garrett, and Vollendroff, LCB staff, Members of the public. This morning I'm requesting approval of the CR 102 for Trade Area rulemaking project. If approved, we're tentatively going to have the public hearing for this on Wednesday, February 14<sup>th</sup>, with the CR 103 and rules filed February 28<sup>th</sup>. That would have the rules in effect by March 30<sup>th</sup>. Just as some brief background, WAC 314-02-1071 defines the term "trade area" as it is used in RCW 66.24.630 on spirits retailers. This law requires spirits retailers to be at least 10,000 square feet, subject to a few exceptions. One of those exceptions is if there are no other spirits retailers in the trade area of the proposed new store. This means that you can open a spirits retailer that's smaller than 10,000 square feet if, among other things, there aren't any other stores in this trade area.

However, the term “trade area” isn't defined in statute, which means that the LCB as the agency responsible for implementing and enforcing the statute, gets to define it in rule.

Currently, we define a trade area as 20 miles unless we are talking about a location that used to be a state liquor store or a location that's on one of the islands. When this rule was initially created following liquor privatization in 2013, there was some discussion about also exempting stores on tribal land or owned by tribes from this 20-mile distance requirement. This would have allowed stores on tribal land or owned by tribes to open regardless of their square footage, and it would have allowed them to open closer than 20 miles from another liquor store not on tribal land. This proposal ultimately didn't make its way into the final rule language and as a result some tribes were unable to open spirits retailers. And ever since then, this topic has been brought up by tribes as sort of a question about why it didn't end up making its way into the rule language. This rule project was filed in order to take a look at that decision and see if that needs to be revisited. The CR 101 was filed in May, and draft language was circulated in July, followed by a tribal engagement session in July.

We received feedback from tribes and our tribal partners, and the rules team reconvened several times and came up with some new rule language. That new rule language was posted on our website in late October, followed by two tribal engagement sessions and then a stakeholder engagement session in November. The proposed rule language here does three main things. One, it removes an outdated reference to how we measure 20 miles. It referred to some GIS software, and given Google Maps and other map software, there isn't a need for us to specifically say how we measure 20 miles anymore. Secondly, it cleans up some of the language referring to stores located on the islands, just because some of the wording was a little clumsy. And then the third thing it does is it adds in language specifically exempting spirits retailers in Indian country as that term is defined in federal law or/and owned by tribes or tribal enterprises from the 20-mile distance requirement. The rule language also proposes to specify that we are talking about federally-recognized tribes.

Following the November stakeholder engagement session, we received feedback from industry groups about proposed amendments to some of our rule language. The proposed amendments include expanding the pool of those retailers that are exempt from the 20-mile distance requirement as well as adding a requirement for the LCB to notify stores that would be within 20 miles of a newly opened tribal store. The rules team decided against including these suggestions. As I mentioned, this rule project really was filed specifically to look at the decision not to include the language about tribal stores back in 2013, and not to sort of expand the number of spirits retailers vastly within Washington borders. So our thought is that expanding the number of retailers across the state that don't have to follow the 20-mile distance requirement isn't within the spirit of this rule project. Secondly, the notice requirement, as we talked about yesterday, would involve the LCB providing notice to liquor stores about the actions of our tribal partners of essentially another sovereign nation. Part of the spirit of this project is to return oversight for tribal and tribally-owned stores to those sovereign nations.

In that sort of line of thought for us to be providing notice about actions taken by these governments seems to not be within the spirit of the government-to-government relationship and also to kind of run against the grain of what we're trying to do with this rule project. That being said, the proposed industry edits have been attached to the CR 102 memo and are posted on the website. Regarding a cost of compliance for existing businesses, really there shouldn't be any. They can look at the new rule language, but if you're an existing liquor store, there isn't a cost for you to comply with the rule that now allows a different liquor store to open. The only cost would be borne on folks wanting to open a new liquor store and really only on folks wanting to open a new liquor store in Indian country owned by a tribe or tribal enterprise.

Lastly, Chair Postman, you had asked yesterday about the state's interest in requiring liquor stores to be 10,000 square feet. I looked into it, and I suspected this language came from 1183, and I confirmed that suspicion. So in the initiative passed by the voters, I think it's the second page of 1183, specifically says that private spirits retailers shall be at least 10,000 square feet. The trade area language also is specifically included in initiative 1183, and after talking to colleagues, the sense was that this was put in as I suspected as a way to reduce the number of private spirits retailers that would open, and to address that would require statutory change and action by the legislators. I know that was a lot but as a result, I'm requesting approval for the CR 102 on Trade Area, and I'm happy to answer any questions.

Chair Postman: Yeah, also I spent the morning reading the same stuff, and it it's clear that the 10,000 square foot and the trade area things that are written in the initiative are, as you said, was to -- and it was a subject of some public discussion during the campaign. You know, would this create thousands of new stores across the state or not? You know? And opponents were worried that it was wide open, so it's clear that's what the intent was, and the tribal piece was not part of that discussion at all. It was not until 2013 because as you point out correctly, of course, there was no definition of "trade area". And in fact, during the campaign some people were saying it's going to be two miles. Some were saying it's going to be five, twenty-three, and no one knew, and so that was left to us to decide. And when we did, which precedes all of us on the Board, this was part of it. One question I had for you just for my own kind of chronological clarity. In 2013, when there was discussion here about this exception for stores on tribal land, was that in the 102 but then not in the 103?

Daniel Jacobs: So that was -- what that was is, actually, that was in the initial 102 that was filed, and then a supplemental 102 was filed. And so to translate that for folks, the first sort of -- the first attempt at draft rule language for this included a sentence that said because the language sort of read the following are exempt from the 20-mile distance requirement. 1.) former state liquor stores, 2.) liquor stores that are accessed by means other than automobile, which translates to those on the islands, and then 3.) the third exception was owned by tribes or on tribal land. And then from the records -- so that was in the 102. I believe then there was a public hearing, and during that public hearing there was pushback from folks in the industry. And then a supplemental 102 was filed, and it read the same, except the tribal language wasn't in there, and then that language proceeded then to the 103 stage and made its way into the final rule.

Chair Postman: Hmm, okay. Yeah, I think it belongs there. I'm glad we're moving ahead with this. I think you're also right about not including the industry feedback, though it's appreciated, and I went through that this morning, too. Because if you, again, go back to the discussion around the campaign, there was a lot of talk about the number of stores, and to do that to make that many exceptions would I think change the intent of what that was and create a lot more. This is a very narrow approach that we're taking here, so I appreciate that.

Daniel Jacobs: The other thing I was just going to add in line with the narrow approach is that the feedback we also heard during our tribal engagement sessions is that this would only affect a small number of tribes. Most of the tribes in the State of Washington already have stores, or a lot of their stores are over 10,000 square feet. This would only really affect a small number of tribes that weren't able to open stores following privatization. So I think maybe less than 10, I don't know exactly. We can sort of, you know, we can get more information on that, but that's also part of it is that it really would only affect a small number of tribes that have up until now not been able to open spirits retailers.

**Member Garrett made a motion to approve the CR 102 for Trade Areas. Member Vollendroff seconded. The motion was approved.**

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

Sami Saad: Hello. Good morning and Happy New Year. I wish you guys the best in this New Years and new page. It's nothing personal. Thank you for last year and everybody working hard to try to make it happen. But I see we're still behind. I wish everybody the best. I wish this year not to be in a point program like what we have. Some people was lucky with the point but not everybody would be lucky. I think there still some people on the social equity, I wish them the best. I wish this year this part could be over and to be finished to acknowledge those people to have canopies -- medical canopies since day one. I am one of those people. I was the first one, and I'm just lucky to be here, and I'm lucky to get what has been taken away from me. And I'm not blaming this Board this morning at this moment because the body wasn't existence at the time. This is a new Board. But I wish from you guys to work out harder to get those people acknowledged, like Kevin Shelton and Libby and those people. They been left, and it's hard. And they was involved in the community. They're very known in the community.

I'm very known. I own 12th Green since day one. I own -- I have been in the business, the first license ever as medical, and I was helping. I'm lucky to have it because I have, you know, that God with me. I stick with everyone. I never, you know, I never take it personal with anyone. I wish you guys the best. It's a new year again. I wish you guys to acknowledge those people. It's not about me. I am already here. I already have my license, not because of no favoritism. I never told anyone I even have a license. I was not even nice with all the Board member, to be fair, but I was not taking it personal. I was just meaning about my license. I apologize if I say to anyone, you know, I been kind of hard in speaking, but it wasn't about me. It's about my

community because when I lost it, it helped my community. I am from a community of 65,000 people. I'm from Sudan originally.

If we see today in Sudan is a big revolution, and everybody when the people they try to force us with the outside agenda and self-appointed leaders, Sudanese people, they carry weapon, and now we having the -- there's a revolution. It's a popular revolution helping the Army not dividing the country, so we are very united. And from that background perspective, I stick with everyone, too, for the right of to get their license back, but at the same time no disrespect to the Board. The Board, I think we would see some progress, and I think it will work with people. That's what I wish, and that's what I hope. And like I said to a lot of people, if -- to me a lot of people were saying, "Sam, you will never get a license. You're not nice." But if it's equity and justice, you should refer it to me first. But I was first, so that is what I'm trying to say. There is no favoritism. I acknowledge that. And thank you, the Board, and I have to say that. At the same time, I wish those people to get their license sooner and people to work out with them.

Kevin Shelton, he is hurting. A lot of people hurting. And I'm not against no Black Excellence. I'm not against anybody. But this is about equity and equality for everyone to make it happen and to have a new 24 years – 2024. I just want to say thank you again. I wish you guys the best as a new year. Please acknowledge those people. We'll make it easy for all of us. You know? But thank you again and look forward to work out with us as a social equity as well and work in Commerce to make it easier and faster because the Board now is the head of work in Commerce.

Christopher King: Happy New Year! We have a trifecta today, so let's get moving on it. Let's start right now returning to that pesky issue of journalists because all the other journalists now around this area seem compromised. Nobody ever challenges you on anything anymore. They just basically print press releases from the government and whatever like that. But anyway, there was a journalist named Lester Black, and as a journalist, as we both are journalists, Mr. Postman, I'm sure you may have heard of Lester Black. He wrote a story back in July of 2019, and it was about Vicki Kristofferson, and he wrote that she's working closely with the agency, your agency. For example, this is how Board Members, Russ Hauge, Ollie Garrett, and Jane Rushford discussed Kristofferson during a public Board meeting in January of 2018, as they were -- contemplating the impact of a new policy:

Hauge: I'll be meeting with Vicki this afternoon.

Garrett: We both are.

Rushford: I met with her yesterday.

Garrett: But why is she needing to have individual meetings with us?

Rushford: She didn't want to have an open public meeting exposure on some of the things.

[end of conversation]

Christopher King: Now, these were the things that were going on at the same time with your clandestine meetings that you paid \$192,000 to Art West to go away on. Okay? When your goon squads were going into the minority neighborhoods and running amok and threatening

people and all that. So, you know. And by the way, it's a new Board, but Ollie Garrett is still there. And that's not a personal attack. It's a fact. All right? And then I don't think you've ever tried to get anything retracted about what Lester Black wrote, so I got to assume that really happened. And you know that's a violation of Open Records Act there. Yeah. Just saying.

Next. So violating the Open Records Act. And you also hear -- I think you guys have violated HIPAA, too, on RCW 69.51A.230, law enforcement agents can only obtain medical patient information through the SAW Portal, the Secure Access Washington Portal. And John Novak a few years ago had written an e-mail regarding a Co-op 138. And come to find out that he wrote to Ms. Carrick at the Department of Health because Department of Health has dominion over all that stuff. You understand, right? And she wrote back and said lastly, I did not hear back from Ms. Rowden, and she states, "Well, to date we have not received a request for state or federal access to the database as Washington regulations under the statute limits access for what specific purpose. But in the meantime, we have your staff, Shannon Angel, on July 25th sending out e-mail information talking about medical cooperative, which I now find out to be a Co-op 138. So there that is, and you can see it. I have the e-mail right there, where she sent out information about them, so I think that's a violation of HIPAA. That's a six-year statute right there. That's a problem.

Next, we're coming up to Cultiva. They have this pro bono program that they were talking about, and they got state money to mentor selected individuals. I wrote you a public records request on that one because I wanted to know how did -- and they said right here, Aaron Pelley, said the State of Washington has chosen to hand select mentors and to allocate funding to pay for those mentors. So I needed to know how these mentors were chosen. And furthermore, how did the mentors choose their mentees? Because Kevin Shelton, the guy Sami was just talking about the positive influence in the community with his brother, okay, all those years and got railroaded out. He had written Aaron Pelley, himself, at Cultiva, asking for help, and he didn't say "boo" back. So this kind of selective thing with state money, people acting under color of law, I just -- look, guys, I'm damn near 60 years old now. I have been around politics since I rode skateboards and delivered my dad's precinct committeeman flyers when I was eight. I have never seen a more corrupt agency than the LCB, and that's, you know, 50 years.

Gregory Foster: Good morning, Chair, and Board Members, and everybody in the room. My name is Gregory Foster with Cannabis Observer. But today I'm going to speak to you personally, and I just wanted to share some information that I have come into. It will become more clear why I want to speak personally, but today I want to talk to you about the use of state funds for research which perpetuates the stigmatization of cannabis and anti-cannabis sector points of view. I want to start with the Washington State Institute for Public Policy (WSIPP). They have released a new report this last weekend called "Licensed Non-medical Cannabis Retail Access in High School Outcomes in Washington State". It's not actually linked from the cannabis section, you can get to it from their publications. Mainly I just want to make sure you're aware that that was published, and their findings relate to whether students attending a school, like they were apparently looking into the influence of advertising or even mere proximity to a

retailer having an influence on outcomes in school with regards to average monthly unexcused absences, graduating from high school, disciplinary occurrences, and unexcused absences.

So establishing correlations, not even necessarily whether the student is actually using cannabis, but like the entire high school outcomes. Whether there is a retailer nearby, like just the mere visual site of cannabis having impacts on your child's performance. They admitted some limitations there with regards to they wanted more data on the mitigating impacts of school-based cannabis prevention strategies, which would be helpful to have some follow-up evidence as far as the effectiveness of our prevention strategy. Tomorrow we're going to hear the Joint Legislative -- Audit and Report Committee approve the final report on expenditures from the dedicated cannabis account, where they are going to say that we have spent 8% of all dedicated cannabis account funds throughout the history of 502, which accounts for \$284 million that we have spent on prevention, education, and research, the most of any state in the nation. It would be good to know that some of those strategies are working.

They also did not account for other school or neighborhood characteristics, as they phrased it, which may explain some differences in school outcomes. So I-502 generally tasked WSIPP with evaluating the long-term public health, safety, and economic impacts of 502 over two decades. That's a pretty broad mandate, so it's not clear to me how they choose what they are going to actually research and study and create correlations that have an impact that are then recited as the official state perspective on these things. And very quickly, which this taking longer than I thought -- ADAI released a paper in December, funded by the half million dollars budget proviso in 2021. I encourage you to look that up in the International Journal of Drug Policy for December, identifying policy options to regulate high-potency cannabis.

## 5. ADJOURN

Meeting adjourned at 10:35 am.

Minutes approved this 13th day of August 2025



Jim Vollendroff  
Board Chair



Ollie Garrett  
Board Member



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.