Washington State Liquor and Cannabis Board Meeting

Wednesday, January 17, 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 17, 2024. Member Jim Vollendroff and Member Ollie Garrett were also present.

2. GENERAL RULEMAKING

Denise Laflamme, Policy and Rules Coordinator

ACTION ITEM 2A – Board Adoption of CR 105 Expedited Rules for Engrossed Substitute Senate Bill 5365 Regarding Increased Penalties for Selling /Tobacco and Vapor Products to Persons Under the Age of 21

Denise Laflamme: Good morning, Chair Postman, Board Members Garrett, Vollendroff, and LCB staff. This morning I am presenting for approval a CR 105 for expedited rulemaking that implements the penalties portion of Engrossed Substitute Senate Bill 5365 from the 2023 Legislative Session (HANDOUT 2A). Specifically, the new law increases penalties the LCB may impose under RCW 70.155.100 for violations of licensed retailers who sell tobacco and vapor products to persons under the age of 21. There are a series of penalty increases for the first through fourth violations outlined in the WAC 314-35-075 penalties table. The penalty for the first violation in a three-year period increases from \$200 to \$1000. The penalty for the second violation within a three-year period increases from \$600 to \$2500. The penalty for the third violation in a three-year window increases from \$2000 to \$5000. And the penalty for the fourth violation increases from \$3000 to \$10,000. Other parts of Engrossed Substitute Senate Bill 5365 around LCB Enforcement and Education have already been implemented.

Because these changes are required by statute, meaning we have to make these rule changes, and we have to change the rules exactly as the bill required, we don't need to use our traditional rulemaking process, which would take much longer. Instead, we are doing what is called expedited rulemaking, which means the CR 105, if approved today, is published for 45 days, and there is an opportunity for objection. If we receive no objections for 45 days, meaning by March 26th, then we can proceed with filing the CR 103 for final adoption of the rule, which would be during the March 27th Board Meeting. If we do receive an objection which is not withdrawn by the end of the 45-day period, we will, unfortunately, be required to do this all

through the standard rulemaking process of filing a CR 101, having a public hearing, etc., but I don't anticipate we will need to do that. Based on this, I am requesting approval today of the CR 105 for expedited rulemaking regarding implementation of Increased Penalties from Engrossed Substitute Senate Bill 5365.

Member Garrett made a motion to adopt the CR 105 for expedited rulemaking from Engrossed Substitute Senate Bill 5465 regarding increased penalties for selling tobacco and vapor products to persons under the age of 21. Member Vollendroff seconded. The motion was approved unanimously.

3. ALCOHOL RELATED RULEMAKING Daniel Jacobs, Policy and Rules Coordinator

ACTION ITEM 3A – Public Hearing Regarding Substitute Senate Bill 5448 / MAST 13 Permits

Daniel Jacobs: Good morning, Chair Postman, Members Garrett and Vollendroff, LCB staff, and members of the public. This morning I am going to preview the public hearing on Substitute Senate Bill 5448 for Alcohol Delivery MAST 13 rulemaking (HANDOUT 3A). Just as some brief background, 5448 extended some of the privileges and allowances made during the COVID-19 pandemic for liquor licensees, making others permanent part of law and rescinding others. The CR 101 was filed in July, and two stakeholder engagement sessions held in October after draft rule language was released. We received some comments on the draft rule language from the Washington Wine Institute. Those comments were attached to the CR 102 memo filed back in December. The CR 102 and proposed rules were filed on December 6th, and we have received a few comments since then, all of which are in support of the MAST 13 part of the rules.

We additionally received a set of comments yesterday from the Wine Institute, and to my knowledge, those comments are going to be testified about during this public hearing. The MAST 13 Rule Project was initiated after the Board accepted a petition to make a different pandemic allowance a permanent part of rule. MAST 13 permit holders currently are allowed to pour beer and wine at the customer's table, and during the pandemic the LCB issued an allowance to let these folks pour away from the table. This allowance expired in September 2022, and a petition for rulemaking was shortly thereafter submitted to make this permanent. The Board accepted this petition in January 2023. Following the end of Legislative Session for 2023 and passage of 5448, the two rule projects were combined.

The rule changes proposed in these rules fall into five broad categories. The first is adding references to the new alcohol delivery statute. The second is distinguishing some of the takeout and delivery requirements related to this statute and distinguishing those from other pre-existing takeout and delivery rules. The third is on ready-to-drink cocktails. The fourth is on consolidating and some very slight tweaks to outdoor service rules. And the fifth is on the MAST 13 rule changes. Regarding the first change, RCW 66.24.710 codified several requirements that were

already in many of the rules being amended, such as requiring a complete meal to accompany any alcohol sales, that delivery drivers hold MAST 12 permits and some other requirements. Where these requirements were already in rule, we simply added a citation to this RCW, and where they were not in rule, we added in those requirements.

Secondly, some licensees identified in RCW 66.24.710 could already sell alcohol through takeout via other endorsements and in some instances based on their enabling statute. This created some confusion because these licensees now had the ability to sell alcohol through takeout and delivery but under two different endorsements and through two different sets of rules. To clarify this, some rule language was removed to make clear which rules applied to which endorsements as well as a new rule created in what will be WAC 314-03-600, which is the table that explains whether or not a meal is required and whether or not third-party delivery prohibited depending on the type of license that the liquor licensee holds, as well as the type of endorsement or privilege at issue.

Third is ready-to-drink cocktails, which, as you all know, are increasingly popular, and these will become the subject of frequent questions to agency staff just about which sets of rules apply to them. Being able to address some of these questions regarding the delivery context involved, clearly stating which rules apply and providing a proposed definition for what constitutes a ready-to-drink cocktail.

The fourth set of changes is about outdoor service rules. Currently, there are two different outdoor service rules, which has created a lot of confusion because agency staff and licensees have to look at two different rules that cover the same topic. The reason for this is because the second rule was created during the pandemic to address some expanded allowances to allow businesses to continue operating while complying with various government requirements about limits on who could be indoors. 5448 made these temporary exception rules permanent, and so then we had two different permanent rules. To streamline this, we have proposed consolidating these two permanent rules into one permanent rule. Some of the suggested edits from stakeholders didn't make their way into the proposed rule. That is because for the most part we have tried to keep the outdoor service rule as similar as possible to the two existing rules, and we are already making a lot of changes in this rule package. We didn't want to go into sort of abandoning the outdoor service rules writ large.

One change that we did make was adding catered events as a category of an instance where permanent movable barriers are required versus a fence-free permanent demarcation, and this refers to where depending on where the outdoor service area is, sometimes the licensee will need to have like a fence or a moveable fence, and sometimes they can sort of have a dotted line or some kind of dotted line on the ground to sort of indicate where their premises ends and where something else begins. We added these catered events based on agency staff input. However, the food service requirement for outdoor service areas, those have not been changed by the proposed rules, and we are not proposing to change those.

The last thing is the MAST 13 rule changes. We are just proposing to make the allowance that I talked about earlier permanent. I mentioned during the CR 102 presentation that there has been some internal agency concern about this rule change from a policy perspective. I went into more detail about this during the 102, and I can talk about it again after the public hearing, but those concerns remain. Agency staff still -- there are still agency staff here who remain opposed to these rule changes, and that position hasn't changed. With that, I believe we are ready to proceed with the public hearing. While we typically don't answer questions during the public hearing, if there is a question that comes up, I will be happy to answer any questions from Board members after we have concluded the public hearing and before the Board meeting ends today. Thank you.

Chair Postman opened the public hearing and invited citizens to address the Board. The Board heard from the following person:

Josh McDonald: Good morning, Chair Postman, Members Garrett and Vollendroff. Thank you so much for an opportunity to speak to you today. My name is Josh McDonald, I am the Executive Director of the Washington Wine Institute. I first want to thank Daniel and his staff for the great work so far on this CR 101 and CR 102 and being able to be very open and engaging with us, working with us, and talking to us throughout the process. We can divide my comments into two sections, one around outdoor service rules and one around MAST 13. This is where our focus was as stakeholders during the 2023 legislative process that helped work 5448 through the process into law. The outdoor service parts are very important to us, so we want to focus on that. And there are some things we think can continue to be worked on during that.

We also want to thank LCB policy staff, licensee staff, and the Board for meeting with us, taking time to walk through our comments, our suggestions, our ways we think we can improve this, we hope that work can continue. First on the outdoor service rules, we agree consolidating to one WAC is a great move, so we have one thing to look at, so thank you for doing that and applying to all on-premise licensees. To that point, I think there could be an easy technical fix here to make sure for future interpretations of this WAC it is not confusing for both licensees and Enforcement and Licensing, itself, and that is around making sure that when we talk about food and food service that we are recognizing what the licensee is required to do. So not all licensees are required to serve food. So making sure that the WACs reflect that so all on-premise licensees in the future, there is no confusion on interpretation of that.

I want to thank staff and others for coming through with some really good solutions on that. One is looking at it from a technical fix up. If your license requires you to serve food, then food service is required indoors and outdoors. That means if food is not required of your license, it is very simple and straightforward. I think we can all understand the change there. And if you are a winery or brewery that doesn't require it, it is your option. You are still welcome to -- use outdoor service areas in this way. If you are licensed as a restaurant, you already know you have food requirements, it fits really well. So we think that is a great solution to this. I thank staff and all for working with us on that. We hope we can implement that into this when it goes into CR 103.

Second, is we do strongly believe we think this is a great opportunity to streamline how we look at public space versus private space when it comes down to outdoor service areas. Right now, there are two different sets of standards of what is allowed to be done in a privately owned or leased area of outdoor service versus the publicly owned outdoor service. Based on limited time, I am happy to talk offline about why the history of that, but what I will say why that happened to where we are today, but I think there is a good opportunity to bring those together, make it very simple. Give the same set of opportunities for whether it is your own private space or it is space you are on in a public setting whether you want to use barriers, whether you want to use moveable barriers, or whether you want to use demarcations, demarcate your space where you are going to serve anything, any of those options for licensees is flexible.

It helps small businesses. It helps us be able to continue to be successful in our spaces, but I think it also streamlines how Licensing and Enforcement can look at our space and say, "Okay, we know that this is your space, this is your service space." However you want to identify that, it is up to Licensing to do that. We'll work with you on that to make sure it makes sense, but we think the option there is a modernizing way to look at it but also, honestly, more of a technical fix to this bringing it together and something that we hope can be incorporated into as we move towards the CR 103. And again, I will be happy to work with -- we would love to work with everyone on that getting to that conclusion.

Finally, on MAST 13, I just want to say a very big thank you. I know we have brought this forward, and we have been working with the Board and staff on these changes, very positive changes to allow for our MAST 13 holders to be able to do a few more things like they did in the pandemic. Zero violations, zero concerns that we hear from all around, so we think we have handled those responsibilities very well, and we are looking forward to moving the 103 with the language intact, and we think it is a great win-win solution. Thank you so much for your time.

Chair Postman closed the public hearing and thanked everyone for their input.

Chair Postman: A quick question then, Mr. Jacobs. I know you have heard these concerns, and so there are some things we can change between now and the 103 and others that would require refiling. Do you see these technical fixes as something that will be adopted into this version? Have you reached those conclusions yet?

Daniel Jacobs: So some of those changes, yes. The issue is -- so specifically regarding the -- as Mr. McDonald said, currently, there are two sets of rules for if the outside service area is in a public space or a private space, and really the way to think about it is, during the pandemic when restaurants opened -- had their outdoor service area like on the sidewalk or kind of, like, yeah, on the sidewalk versus if it is just in their parking lot. So right now, the rules basically are, if it is on the sidewalk, more subject to except a few exceptions, there has to be a physical barrier versus if it is in the parking lot, you can use a demarcation. The proposal here from the Wine Institute is to have one set of rules for both. I actually might have switched. I think it is the other way around. I think it is that if it is with a public area, you could use the demarcation, and if it is a private area, you have to use the fence.

So either one -- there is one set of rules for the public spaces and one set of rules for the private spaces. Those are not currently in the proposed rules for the 102. If we were to add that in, I think there is a good chance that would require us to file a supplemental CR 102, which, as I talked about yesterday, would push out the timeline quite a bit. The changes about the language for the food service to making it a conditional language, I think that we can probably do without needing a supplemental 102 because we are not really changing the rule requirements. We are just framing. We are just changing the wording to make it clear because right now the wording says, "Whatever food you have to serve inside, you also have to serve outside." And their proposal is to say why don't we just reword it as an IF/THEN conditional? Like, IF you need to serve food outside, THEN you also need to serve that same -- or IF you need to serve food inside, THEN you also need to serve that same food outside.

And, similarly, if you don't meet the condition precedent, then you don't have the IF, then there is no THEN. So I would think that that sort of the requirement wouldn't change, but I would think if because we currently have two different sets of rules for public versus private spaces, to change that at this stage, I think there is -- I think that I would probably need to consult with our friends at the AG next to you a little more, but I think there is a decent chance that that might trigger the need for a supplemental 102, which as I mentioned yesterday, would push out the rules from being in effect at the beginning of March to the end of April.

Chair Postman: Well, I was trying to keep track yesterday when you were talking about potential delays overall, so it would -- implementation would come 30 days later than if we didn't refile? Or that is just for refiling and then kicks it out even further for final action?

Daniel Jacobs: Well, it would kick it out even further because we only present filings every two weeks during the Board meetings, but the Code Reviser's calendar works differently. The Code Reviser's calendar has two publication dates a month, which don't always line up with our Board meetings. And so, for example, if we filed something today, it wouldn't get published until next week. And because we cannot have public hearings until at least 30 days after the publication date, if we ended up having to do a 102 on the 31st, it wouldn't get published until Valentine's Day, which means then we couldn't have the public hearing until mid-March, and so it doesn't -- it would push it out more than 30 days is a short answer to your question. It would push it out closer to between 45 and 60 days.

Chair Postman: Right. Okay. Okay, great. Any other questions for Mr. Jacobs on this?

Jim Vollendroff: I would just make a comment that I would support us checking in with the AG's office on this and exploring it a little further.

Chair Postman: Yeah. I think that we should definitely do that as part of this next phase. Let's ask those questions, which I am sure you will. So okay. Great. Thank you. Appreciate that, Mr. Jacobs.

Daniel Jacobs: All right. Thanks so much.

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:

Shawn DeNae-Wagonseller: All right. Thank you so much. It has been a while since I have spoken to you all. I am Shawn DeNae-Wagonseller, co-owner of Washington Bud Company. We are a 2000-square foot grow up in Snohomish County, and we are the first company to have voluntarily tested our crops for both pesticides and heavy metals beginning in 2016 when we got our license. And I am really concerned about a statement that Mr. Webster made in December to the Regulated Substance and Gaming Committee. He went over -- and this is a quote -- "three different pathways for cannabis testing. Two of them are initiated by us, and one of them is initiated by the licensee. First is the ongoing standard periodic testing looking at products that say they are pesticide free. Are they actually pesticide free? Second are complaints or investigation-driven testing where somebody says, "Hey, there is something on this particular product. " Both of these pathways involve sending samples to the WSDA lab in Yakima. Third, there is a routine test that all producer processors have to do to ensure their products are safe using one of the eight accredited private labs."

So there is a group of us that our reputations are based on providing clean cannabis, and me and my friends in that category feel like we are being pestered, like we are being targeted, and let me give you an example. On September 15, 2020, five samples were taken by our compliance -- well, at that time they were enforcement officers. It took until February 7th of 2021 for the results to come back to us. They were far below the action level. So we know action levels are 0.1. They found things at 0.0018, 0.0048, 0.0031, and these are things that are found that states spray in the ditches. I mean they are herbicides, so they are not anything that any grower would put on our plants because they would kill them in any sort of volume. Anyway. So even though they were way below the action limits, the officers still made us remediate. So we had to find a lab that could test our soil, they could test our nutrients. And so there are all sorts of different nutrients. I mean those are multiple tests. Test our water. Those tests could not duplicate those small, small detection levels, but yet, we had to spend over \$2500 to retest this product.

At that time in February, a second round of samples were taken, and this was from tested material. So this was in February. The second round taken in November of 2023, the compliance officer shared that there was a pesticide that showed it over 0.1 action level. Now this is on a product that was already QA sampled and non-detect. I mean I have a test that shows non-detect, but the WSDA lab detected it. Right? At slightly over the action limit. I swear my test says non-detect. Whose test prevails in that instance? The compliance officer didn't know. So it was easier to recall a product that was out there than it was to debate this at the time. Another round of samples was taken, it was taken in November, and now we are waiting

for that. So we are in a cycle. We are being systematically cycled through. The second thing that I wanted to ask you all about is that we know that there are millions of dollars set aside for the social equity applicants. They are having a really hard time accessing that. Going to Department of Commerce, going to the LCB. I would really like to ask the LCB to take ownership on this and make that happen for those folks. Okay. Thank you for your time.

Christopher King: Great morning. Today's magic word is HIPAA. Two magic words, HIPAA violation. Let's get straight to it because the work of a journalist is never done. You know that Mr. Postman. So, uh, and as for you, Attorney Patel, you know, I remember when I was a state lawyer. It's funny because life is pretty easy. You just say something, and the courts give you whatever you want. But anyway. You are not going to be able to cover this one up, sir. We have a situation here with Co-op 138 that I found out about, and they are now on their way at the courthouse to sue you and other actors, and I will tell you why. You want to know why, right? Anyway, listen. What it is, is they had a hearing scheduled. All right? Hold on a minute.

They had a hearing scheduled for I want to say it was -- I forget the particular date, but there was a hearing scheduled because these people were award-winning, it was an award-winning shop. Okay? And what this shop had done, they were an award-winning collective, and what the issue is that your people had a hearing set with this guy with Co-op 138 on a certain date. Okay? And what happened was the -- Frank Black, Detective Frank Black wrote in, and he writes to WSLCB, and he says we have a complaint about a medical grower from Anacortes PD. Their location is blah, blah, blah. Right? And your staff writes back. Okay? Your staff writes back -- your staff writes back and says the address was associated with a cooperative registration. It basically starts discussing license #412691 and says, in summary, the location of the people identified do not hold a valid marijuana license or a cooperative registration at this time. Okay? Well, the problem is several-fold with that. That information should not have been distributed by an LCB staffer. That should have come through the SAW portal. Okay? Pursuant to RCW 42.56.520. All right?

That is a HIPAA violation straight off the bat. But to make matters worse, that is the wrong number. The right number is 428651. Okay? So based off the information that LCB illegally distributed in the first place, Frank Black and his cohorts out there at the Skagit County Taskforce, the inner whatever they call -- they raid these people the day before they had a hearing scheduled with the LCB as to the legitimacy of their facility. Okay? And they just wrecked them. And so you have a problem here because not only was the information leaked improperly and shared without authorization, but it was also shared with the improper entity identified. And based on this information, my friends got raided and shut down. Okay? It is a false and inaccurate report.

Furthermore, the person Shannon Angell, Marijuana Licensing Supervisor, is basically testifying for the ultimate issue at hand for the hearing, which is whether or not their cooperative was legit. The cooperative had been legit forever, and they had awards from PSE for their work in the community and all that stuff, treating cancer patients and all that stuff, medical cannabis, medical marijuana and all that. And so now, you had one of your commercial -- one of your

recreational shops moves in within a certain radius, and they had to demonstrate that they had a basis to continue, which they could have done by showing residency and all that. But the bottom line is this, another attack by the LCB, an agency nobody can trust, and you are caught. There are no two ways around this one. I am looking into your soul right now, Mr. Postman, as a Board member, all of you. I am looking at your soul, and I am telling you I got you this time! Goodbye!

Peter Manning: Good morning, Chair Postman, Board Member Ollie Garrett, and Board Member Vollendroff. My name is Peter Manning. Currently, I am the President of Black Excellence in Cannabis. This organization was formed, I would say, in theory, in 2015. It came into fruition early 2016, and here we are today. This organization was created because of the lack of inclusion of the black and brown community in the cannabis industry. But I would like to say let me follow my notes. I had to put this disclaimer out there. We were not responsible for some depiction of Ollie Garrett with Inslee. That did not come from Black Excellence in Cannabis. Aaron Barfield does not represent our organization in any way, nor are we affiliated with him. And we would not attack anyone's personal likes, dislikes, or characteristics based off their person. We attack policies that we do not agree with that affect our community. We are solution based further and foremost. I have to clear that up.

My question to the Board today is we understand that 2070 came off. A lot of people are unhappy with it, me being one, but those who did get through, there is a lack of funding out there. We understand that the funding was supposed to be available at the time that they received the congratulation letter. This has not come to fruition. We need to know why. The lack of funding for this program further divides the chances for those black and brown community members that did receive an application of approval. It divides the landscape even farther because the white ownership still profits and benefits to this day even stronger. Now they are currently trying to get bills passed in the House or the Senate to bring an outstanding investment would make the social equity license useless. We need to get this program moving, Mr. Postman.

Bob Ferguson made a statement last week on Twitter. He said that transparency, a fair, competitive marketplace benefits consumers and businesses. If you are listening, Mr. Ferguson, our future governor, what is going on with this LCB and social equity licensing? What has been going on since early 2015? Currently we do not -- we are still -- and I am telling you I am a person who has been fighting since 2014. It is documented. There is not one store in Seattle that is black owned. And I mean goddamn -- excuse my language. We got to change this, man. It is like everybody slow-walks this process right when is coming to fruition. What's up with that? Why is it that we can -- I looked at 20, uh, I-502. I looked at how fast that worked. There was special everything about making that program get out and beginning the process expeditiously. But when it comes to blacks and brown people with social equity, it is the slowest pace, slowest walking institution or program I have ever seen, and I just don't understand why. With that being said, Board Postman, please let us in our community know what's up. We need to hear from you on what is going on with the funding. Thank you

Mike Asai: Good morning, Chair Postman, Board Members Garrett, and Vollendroff. My name is Mike Asai, Founder of Emerald City Collective, first downtown Seattle medical cannabis dispensary in 2010, unjustly shut down by the City of Seattle LCB. I am also the Vice President of Black Excellence in Cannabis, fighting for inclusion. I don't want to repeat everything Mr. Manning said, but it is going on four years since the passage of 2870, and not one license has opened up, only certificate holders. Certificate holders, you know they are not social equity licensees. They already had a license. They did not need the rubric points. They simply needed to qualify for two of the three qualifications. This gave them a year's head start to find a location and prepare to open up once a third-party vendor completed their review. The few medical cannabis pioneers who were awarded a license had no certainty, like myself, that they would get across the finish line.

How could a pioneer afford to obtain a location months in advance without confirmation they will get a license? Where are the grant funds to complete this licensing process? You know, going on eight years since the hijacking of medical cannabis, causing patients to resort back to the non-recreational market, the black and brown community does not trust or want to be exposed by the Department of Health, the database. Many of the current lottery license winners did not want to provide medical cannabis. They were completely against providing medical cannabis and suggested two different types of licenses so they would not have to worry about the medical cannabis community. But yet, these same retailers have multiple licenses, locations based off medical cannabis pioneers who had brick and mortar locations who did the right thing by getting licensed and paying taxes prior to 2013. Many of these overly qualified pioneers were shut out like myself.

Eight years and still no African American-owned cannabis locations in Seattle or [indistinct] in King County. This was not a mistake or an oversight. This was intentional. Social equity programs across the nation are facing lawsuits, and why? Washington State would have never had to create a social equity bill if simply the black and brown pioneers were not unjustly shut out. What this agency did in 2017 was not just wrong, but it was criminal. Senate Bill 5131 was like a thief in the night taking away the merit-based language giving medical pioneers first priority. It was not because of medical needs were satisfied, but it was for those current white retailers to monopolize the industry while myself and many other pioneers were cut out and holding out hope to get a license. Many, many, many black and brown and white patients did not want to sign up for your Department of Health database.

The LCB manipulated the state legislators in 2015 and 2017 using false data to hijack the cannabis industry, getting rid of the language in the law and adding new language, which gave those retailers ownership from three to five licenses. My message, our message at Black Excellence in Cannabis to Governor Inslee, who signed these bills into law in 2015 and 2017, I don't know you personally governor, but I believe you to be a genuine person. There have been years of talk about social equity and justice for the African American community, descendants of slavery. With some actions, but not the action that has been needed the past four years and today. I -- we are speaking up for social equity licensees who obtain the preliminary letters of approval. My message to social equity licensees, don't be afraid to speak up. Nothing will

happen to you. Your voice matters. Feel free to reach out to us at info@BlackExcellenceInCannabis.org. And lastly, I have to say this. This agency knew about [indistinct] in 2018. To sit up there and say you didn't know about [indistinct] is a lie. This agency knew about it, this document. Thank you.

Gregory Foster: Good morning, Chair and Board Members, folks in the room, and online. My name is Gregory Foster with the Cannabis Observer, and I am here to follow up on my comments from the last Board meeting about the Washington State Institute for Public Policy (WSIPP) study on licensed non-medical cannabis, retail access, and high school outcomes in Washington State. I followed up and spoke with the lead researcher over at WSIPP, and we talked for like an hour and a half. It was a really good conversation. And we talked about the overall benefit cost evaluation, the limitations that they were under, challenges with historical reports. And so I am here to ask LCB to help with the process of gathering a couple of particular data sets that would be of use to WSIPP and to the larger research community in general, and those pertain to tribal retail operations and to ban in moratoria jurisdictions.

So in the conversation about this particular most recent study, the hypothesis that they had was that high school outcomes would be affected by proximity to retailers from the sense that there is a possibility of an increased probability that family or older friends might have easier access to cannabis and provide that to underage persons. See, it specifically said they are not assuming that kids are buying from licensed retailers. So I asked about how those particular questions are selected for research, and it is based on the overall mandate criteria, how it would assist this two-decade benefit cost analysis, availability of data, and contemporary stakeholder interest, but that availability of data was the most important one. And so in those conversations, the limitations of the study were reviewed, which included that they don't have reliable data on, probably most importantly, underage access to impairing hemp products in conventional retail settings or online and mail order.

No consideration of that at all in the studies or in any of the historical studies. They didn't account for the ban in moratoria areas, and they didn't account for the presence of cannabis retail operations in tribal nations -- in compacted tribal nations. And it is my understanding that no published academic research around cannabis in Washington State accounts for those things, which is -- well, let's fix that. So a tribal retail database, while I don't mean to make work for Ms. Conwell, who I know is on call, but it would not be too much trouble for us to track the locations of tribal retail operations and when they began operations or began or ended operations as well. Same with the banned and moratoria database. We undertook efforts within the Licensing division to identify ban and moratorium areas for the social equity program, so we have the start on that data. And so wrapping all this up there is HB 2182, which is asking the agency to make a data dashboard with extensive new data publicly available, which the agency supported. And thank you, Mr. Webster, for going on record and saying that the agency is enthusiastic about building that platform. These will be some good datasets to add. Thanks for your time.

5. ADJOURN

Meeting adjourned at 10:45 am.

Minutes approved this 13th day of August 2025

Jim Vollendroff
Board Chair

Ollie Garrett
Board Member

Dith Holman

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.