



Washington State Liquor and Cannabis Board Meeting

Wednesday, July 17, 2024, 10:00 am

This meeting was held in a hybrid environment

Meeting Minutes

1. CALL TO ORDER

Chair Postman called the regular meeting of the Washington State Liquor and Cannabis Board to order at 10:00 am on Wednesday, July 17, 2024. Member Ollie Garrett and Member Jim Vollendroff were also present.

2. RULEMAKING TIMELINES – ALL INDUSTRIES

Cassidy West, Policy and Rules Manager

Cassidy West: Good morning, Chair Postman, and Board Members Garrett, and Vollendroff. I'm going to share my screen for the Social Equity Survey that we have. So this survey closes on the 18th, so this coming Thursday -- uh, tomorrow. And so this information will be used to inform the draft rules for the 102 filing. And so the link is here. It is also on our website on the Laws and Rules page. It is also on the Social Equity page. Okay. So with that, we'll be filing the 102 on social equity on the 31st. We'll also be filing the 102 for the THC Bill on the 31st. Also on the 31st, we will have the 103 for that acronym name change that Jeff was working on for the expedited rulemaking, and then Daniel will bring a 102 to the Board for cannabis payment flexibility. Then at the next Board meeting on August 14th, we know that Daniel will bring the 101 initiating rulemaking for the Emergency Liquor Permits 2204 to the Board. Then Jeff will bring down 102 for the Cannabis Waste Bill also to the Board about that time.

3. CANNABIS RELATED RULEMAKING

ACTION ITEM 3A – Rules Petition Review and Consideration Requesting to Amend WAC 314-55-095 to remove the 10mg THC Limit on Serving Size for Cannabis Edibles

Denise Laflamme, Policy and Rules Coordinator

Denise Laflamme: Good morning, Chair Postman, and Board Members Garrett, and Vollendroff. This morning I'm going to make a recommendation of denying a petition for rulemaking that was received on May 20, 2024 from Tanner Odenthal (HANDOUT 3A). The petitioner requested the Board to initiate rulemaking to consider adopting rules to increase the existing 10 mg THC serving limit for edibles for non-medical cannabis products. The petitioner lists concerns about medical users not being able to access high-THC edibles. He asserts that allowing higher THC

products to be bought recreationally would ensure that medical users would have access to safe and standard doses. He reports that retailers are recommending medical patients make their own edibles from concentrates, as many locations currently do not carry high-THC DOH-compliant products. RCW 69.50.345 identifies the Board's authority to engage in rulemaking to establish classes of cannabis, cannabis concentrates, usable cannabis, and cannabis-infused products according to, among other factors, THC concentration.

Currently, under WAC 314-55-095, a single serving of a cannabis-infused product must not exceed 10 mg of active THC, and the maximum number of servings in a single unit of cannabis-infused product meant to be eaten or swallowed or otherwise taken into the body is 10 servings/or 100 mg of active THC. DOH rules under WAC 246-70-040, for medically-compliant products defines high THC-compliant products as products containing more than 10 mg and no more than 50 mg of THC per serving and may have up to 10 servings per unit up to 500 mg total per package. But only certain types of products qualify for DOH high-THC classification. Specifically, these products are capsules, tablets, tinctures, transdermal patches, and suppositories.

Susan Harrell in our LCB Licensing, who reviews all cannabis-infused edibles products on this list for packaging and labeling compliance, is not aware of any infused edibles that qualify as DOH high-THC products currently in the regulated market. While there is currently a limited supply of medically-compliant high-THC products, we expect there to be an increase in the availability of these products with the passage of House Bill 1453. Currently it is possible to achieve a higher intake by using more servings of available edible products that are not DOH compliant. The 10 mg THC limit is a long-standing industry standard among Washington processors and retailers. The limit of 10 mg THC per serving of infused products has been in place since 2013 from the passage of i502. Consumers and retailers are familiar with the maximum amount 10 mg per serving for adult use products, and an increase may lead to confusion. Most other states currently have a limit of 10 mg THC per serving or less for their adult use products.

We consulted with the Department of Health to get their feedback around increasing the THC serving limit. Their concerns relate to increased chances of overuse or misuse in consistency with existing public health efforts around better protecting consumers related to high-THC products and increased risk of products that may appeal to children. DOH did report they are considering adding edibles to their list of high-THC products based on feedback they've received from patients. DOH currently has Chapter 246-70 WAC open for rulemaking. Changing allowable serving sizes for THC could conflict with open LCB rulemaking, especially related to the THC Bill 5367 that passed in 2023. This legislation expands the definition of THC concentration to include multiple forms of THC. Until the new rule -- this new rule goes into effect, rulemaking to consider changes to serving size or packaging limits is not feasible. Based on the information provided here, the director's office recommends that the Board deny the petition for rulemaking to increase the THC serving size limit for adult use edible cannabis products. Thank you, and I'm happy to answer any questions.

Jim Vollendroff: I have no questions, but I would like to make a quick comment. And I mean I'm inclined to support the decision not to approve this rule petition request, and I want to make sure that that's not confused with not supporting and wanting to assure that medical-compliant cannabis and patients are served and served well. This just doesn't seem the right way to do it given some of the concerns that were raised this morning.

Chair Postman: I think that's right. I have one quick question. When we talk about DOH-compliant product, it's available to anybody who goes into a store, though, right?

Chair Postman: Like if you go into a store, and there's a sticker that says this meets those standards, can I buy it if I'm not a patient?

Justin Nordhorn: Some but not all.

Chair Postman: Okay, great. Thank you then. So then why don't we entertain a motion to accept the staff recommendation to reject the petition to amend WAC 314-55-095.

Member Garrett made a motion to accept the staff recommendation to deny the petition request to amend WAC 314-55-095. Member Vollendroff seconded. The motion was approved.

**ACTION ITEM 3B – Board Approval of CR 101 to Implement House Bill 1859 (2022) Regarding the Transfer of Cannabis Lab Quality Standards, and Second Substitute House Bill (SSHB) 2151 (2024) Regarding the Transfer of Cannabis Lab Accreditation
Denise Laflamme, Policy and Rules Coordinator**

Denise Laflamme: Okay, thank you. Okay, let me move on to the next topic. Again, good morning. I'm here to request your approval this morning to file the CR 101 to initiate rulemaking to implement legislation transferring regulatory authority for lab quality standards and accreditation from the LCB to the Department of Agriculture (HANDOUT 3B). The Department of Agriculture has new rules related to the transfer of these activities that became effective earlier this year. This rulemaking involves three bills passed in recent years that I will briefly describe.

House Bill 2052 passed in 2019. This legislation, among other things, amended RCW 69.50.348 to transfer the authority to establish accreditation requirements of cannabis testing laboratories from the LCB to the Department of Ecology. The Department of Ecology was directed to adopt rules to implement this transfer by July 1, 2024. This legislation also directed the creation of the Cannabis Science Taskforce, and they were tasked with collaborating on laboratory quality standards for cannabis product testing around pesticides and developing recommendations.

House Bill 1859, which was jointly request legislation with the LCB and Department of AG, passed in 2022. This legislation implemented recommendations from the Cannabis Science

Taskforce, including transferring the authority to establish cannabis laboratory quality standards from the LCB to the Department of Agriculture. Department of Agriculture's new rules for cannabis testing lab quality standards under WAC 16-309 were adopted on April 17, 2024. Other recommendations as part of this legislation included requiring labs to meet Department of AG's new lab quality standards, and also requiring labs to obtain and maintain accreditation through Department of Ecology using the new lab quality standards created and also created an interagency coordination team consisting of LCB, DOH, and the Department of Agriculture to work together on the implementation and maintenance of cannabis testing lab quality standards. This group, currently named the CLASP group, standing for Cannabis Lab Analysis Standards Program Team, who continues to meet regularly.

The most recent bill, Second Substitute House Bill 2151, passed this year, reassigned the authority for cannabis testing lab accreditation from the Department of Ecology to the Department of Agriculture. This legislation directed Department of Agriculture to use expedited rulemaking, and their new rules under WAC 16-310 around accreditation of cannabis laboratories were adopted June 18, 2024. Rulemaking will clarify LCB's requirements for laboratory certification with laboratory standards and accreditation requirements shifting to the Department of Agriculture. LCB retains product standards under WAC 314-55, including providing education to licensees and laboratories on product standards, reporting requirements, traceability, chain of custody, as well as lab certification requirements and compliance. A transition period is in place until December 31st of this year to account for changes in accreditation oversight. LCB's contract with RJ Lee for lab accreditation has been transferred to the Department of AG during this time.

If approved today, there will be an informal comment period until August 16th. We plan on holding stakeholder engagement sessions later in August and plan to have proposed rules filed by September 25th. Assuming all goes well, the final rules would be filed on November 20th and becoming effective December 21st of this year. We will continue to coordinate and collaborate with both the Department of Agriculture and the Department of Health under our ongoing CLASP group. We expect input from cannabis testing laboratories who must comply with the Department of Agriculture's new rules while continuing to comply with LCB's requirements for lab certification and product standards. Based on this, I'm hereby requesting approval of the CR 101 to begin rulemaking to implement Second Substitute House Bill 2151 as well as House Bill 1859. Thank you. And I'm happy to answer any questions.

Chair Postman: Okay, great. This one has not been easy, I know. Appreciate all the work on it. I know we still have a lot more to do, but I'm glad we're to this point and would entertain a motion to accept the staff recommendation to approve the 101 to implement House Bill 1859 and House Bill 2151.

Member Vollendroff made a motion to approve the CR 101 to implement House Bill 1859 and Second Substitute House Bill 2151. Member Garrett seconded. The motion was approved.

ACTION ITEM 3C – Board Approval of CR 102 for Substitute House Bill 1453 – Medical Cannabis Patient Excise Tax Exemption Implementation
Daniel Jacobs, Policy and Rules Coordinator

Daniel Jacobs: Good morning, Chair Postman, Members Garrett, and Vollendroff. This morning, I'm requesting approval of the CR 102 on implementing Substitute House Bill 1453 on the Medical Cannabis Patient Excise Tax Exemption (HANDOUT 3C). If approved, there will be a public comment period open until the public hearing to be held August 28th. And assuming that goes well, the final rule language will be presented in the CR 103 on September 11th, with new rule language in effect October 12th. 1453 was passed during this legislative session and went into effect on June 6th. It exempts cannabis sales from the 37% excise tax if all the following conditions are met: 1.) the cannabis is purchased by a registered patient or a designated provider with a valid recognition card and entered into DOH's database, 2.) the cannabis is DOH compliant, and 3.) the retailer holds a medical cannabis endorsement. The LCB is given rulemaking authority to identify the records that need to be kept by retailers, demonstrating that these requirements are met, and the excise tax reporting form has already been changed accordingly. This tax exemption currently is scheduled to expire in June 2029.

The LCB has issued a variety of guidance on compliance with this law, given that it's already taken effect, but the rules won't be effective until October 12th at the earliest. We held two stakeholder engagement sessions in early June, and we incorporated some of that feedback into this draft rule language. We have amended three separate rule sections to address the new excise tax exemption, including 314-55-083 on traceability, 314-55-087 on record keeping, generally, and 314-55-089 on tax reporting. These have all been changed to address the new requirement and to reference a new rule that we're creating, number 314-55-090, which is solely dedicated to this new tax exemption. The thought behind creating a whole new rule was based on past experience with alcohol delivery allowances that were temporarily allowed during the pandemic but then made permanent by the legislature after the pandemic ended.

Similarly here, if the legislature decides sometime between now and 2029 to make this exemption permanent or to tweak it later on, we already have a rule in place that we could use as the starting point to either remove the expiration date or to amend it accordingly. The language in our new rule repeats the requirements of 1453 as well as requiring retailers to keep records for every sale where they're exempting the excise tax. They need to keep records of the following: the date of the sale, certain information from the patient recognition card, information identifying which product is having the excise tax exempted, and the total sales price that the product is sold to the consumer. There have been some other technical changes proposed to 087 and 089, such as updating LCB's mailing address and fixing some typographical errors.

Lastly, we're also throughout these rule sections changing the acronym from WSLCB to LCB where appropriate, which is consistent with the 103 that's going to be presented on July 31st. The reason we're doing that here is because in order -- because the two rulemaking efforts are going on at the same time, we need to change the acronym in the sections that I'm currently working on. The minor cost to business determination that's necessary for CR 102 proposed

rules found that this rulemaking isn't going to hit the threshold that would trigger a small business economic impact statement, and that analysis is included in the CR 102 form. Therefore, I'm requesting approval of the CR 102 on implementing 1453 on the Medical Cannabis Patient Excise Tax Exemption. Thank you, and I'm happy to answer any questions.

Chair Postman: Great. Thank you. Any questions on medical tax exemption rulemaking? Seeing none. Is there a motion to accept the staff recommendation to approve the 102 for Substitute House Bill 1453 on the medical cannabis patient excise tax exemption?

Member Garrett made a motion to approve the CR 102 for Substitute House Bill 1453 on the Medical Cannabis Patient Tax Exemption. Member Vollendroff 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:

Jeri Moomaw: Thank you. Hi. My name is Jeri Moomaw, and I am a proud citizen of Olympia, Washington. And the reason that I am here today is I want to talk about the rulemaking around the implementation of alcohol within the strip club industry. And I apologize if I do not have that bill number in front of me. What I want to talk to you about is number one, I am a former dancer. I run a nonprofit organization that works with exploited people and people that have been trafficked now, so I have lived in professional experience around this. I really want to point out to you guys that the clubs that are going to be requesting the licenses within Pierce and King County, 11 of those are in high crime areas, and 82% of those have documented, you know, shootings, other things that have been happening. And many of these clubs are also directly impacted in alcohol impact areas, and Déjà Vu, The Devil's Triangle, I mean, they're in the central core of these high-impact areas.

What we would like to ask you to do is please consider having a lived-experience advisory board for implementing this bill. And we're also asking that we be able to provide expertise and to be able to continue to have these conversations, and that training needs to be absolutely imperative for all of your inspectors that are going to be working in these clubs for human trafficking, signs of human trafficking, signs of exploitation, really being able to know the nonverbal signs, and we just urge you to please take this into consideration. Bring us into this. I represent a group of survivors from Ways Forward, and there are others on this call today, and we would love to continue to have conversation. Thank you very much for your time.

Vicki Christophersen: Thank you. Good morning, Chair Postman, and Members Garrett, and Vollendroff. I'm Vicki Christophersen, here today on behalf of the Washington CannaBusiness Association. I want to share a couple of thoughts with you this morning. I want to start again by stating for you that we, as a business trade organization, represent businesses that have

chosen to be regulated, chosen to be taxed, and chosen to, hopefully, partner with the state to continue to create a safe, regulated market that taxes products and keeps them away from kids. And also, I just want to remind, I think it often gets lost in this conversation that every cannabis business in the State of Washington is a small business and the vast majority of our members include -- and the vast majority of businesses in the state are very small businesses, many with less than 50 employees and very many of them with less than five.

It is with those businesses in mind when we bring a petition or feedback to the Board for consideration. So today I'm very disappointed to hear the rulemaking timeline not mention the sampling rule set. When we filed a rule petition to this Board in July of 2022, it was accepted by the Board in August of 2022. Eight months later, the CR 101 was filed, and seven months after that, there was a series of two stakeholder meetings. This rule set again, it's not as sexy as some of the other things. It's not as interesting, but it really is about looking at some of the things, you, Chair Postman, have discussed that we agree with is, how can we make the rules more streamlined, more efficient, work better for licensees. There are three types of samples that businesses use: vendor, educational, and internal quality control samples, and there are some really pretty easy ways that we could work together to make those rules more efficient and less costly for licensees.

It's been over two years since we filed that petition, and we would really like to spend the time necessary, and our members stand ready to spend the time necessary to work on this. It's important to our businesses. And then I'd like to just add, I appreciate that the rules are getting started on implementation of the moving of accreditation over to WSDA. And as we implement medical patient excise tax, what has become for our members is we now have three agencies very deeply involved in the regulation of this industry. I'll be submitting some more written comments for you to consider, but really the top of mind I -- we hope for all agencies is consistency. If we can make sure that the rules are consistent across all three agencies and are not duplicative, it makes things so much easier for the regulated industries. Thank you for your time, and we'll follow up with some written comments.

Robin Miller: Hi, and thank you. Thank you for your patience and all of the support in getting me back on. My name is Robin Miller. I am here representing Ways Forward as well. I am a lived-experience expert and survivor of the commercial sex trade. I live in Vancouver, Washington, which, as you know we in Portland, Oregon, one of the things we talk about is having the most strip clubs per capita than anywhere in the country. And what I'd like to talk about is some of the harms that I've seen in the clubs, I've experienced in the clubs, and that I'm really a little, you know, concerned for Washington and the number of clubs that could open up. I met my trafficker in a club. I danced in a club probably about two weeks before I met him, and I was trafficked for six years. Since -- in the last 10 years, I've supported people who are trafficked, many of them who came to the strip clubs. I know that the violence in the clubs happens because I support people who have been harmed. I remember meeting a woman in jail who had killed another woman because of an argument with their pimp and their trafficker.

I know that strip clubs act as brothels regardless of legality, and I know -- when I heard that one of the things -- I support all of the safety measures that we talked about in this bill that protect women who are dancing in clubs or people who are dancing in clubs, but when I heard alcohol was being introduced, as like in safety concerns, my mind exploded because I know what happens when you pour alcohol on people. Inhibitions are lowered and harm is increased. I also think one of the things I think we could talk about to reduce harm, or like safety measures in the clubs, metal detectors, a very stringent, like, documentation for people who are working in the clubs. I support kids who have been dancing in clubs since they were 13. So in Portland, which I mean when we were talking about this issue in legislation, Portland was brought up often as the mecca in this beautiful system of, you know, strip clubs that was operating. But I'm meeting with 15-year-old kids who are bought and sold in strip clubs. So this is inevitably going to -- well, it is happening in the clubs in Washington State. It will inevitably grow. The problem will grow, and so I just would like to with my last 30 seconds is just like implore you to, like Jeri said, bring in lived-experienced people. Train your staff to be able to pick out the, you know, indicators that something might be going on in there. I was part of an Oregon Department of Justice. We did training to OLCC staff. We rolled out a training for them. All agencies in Oregon are required to have training.

Christopher King: Hold on. All right. Okay, great. Terrific then, guys. But the first thing first. Vicki Christophersen's comment that every cannabis business is a small business. That's a lie. I don't know if she thinks Uncle Ike's and Kaleafa are small businesses. I don't know what definition she's using there or what she's smoking, but whatever it is, I don't want it, because it distorts reality. Next, who among you kept leases from places that you lived? You know, like 20 years ago more than a year or two? Nobody kept those leases. Okay? So that's why trying to get rid of the declarations or affidavit portion when it comes to DIA makes no sense at all. It's a disparate impact on black and brown hands down, especially in those areas. We didn't own homes there, and it's garbage. Get rid of it. Okay, next.

Why do you block comments on your Facebook -- on your YouTube page, by the way? Because, you know, I listen to your Caucus meeting, okay? And you were proclaiming about how you're very liberal about your speech policies and all that stuff. Right? Well, you know, why would you do that? I know you don't answer me. You answer other people, and we'll talk about that when I sue you. And I know you said, Mr. Postman, you feel very comfortable in that lawsuit. Good, because it's coming, and we have enough to get you to jury. Trust me on that. All right? So we're going to talk about all that.

Now this discussion today is in honor of my buddy, Evan Wright. He's not here with us, but in terms of talking about this trafficking thing right now, I just want to refer people to his last work, which is the Torture Inc., now showing on MAX, and he and I talked about the LCB quite a bit. We were going to do some work together on that, but he's not here anymore, so I'm going to talk about the shackles myself today, and I know he would want me to continue on with what we discussed. And so in your discussion the other day on the -- your Caucus thing, you know? Sure. Yeah. You said, "I don't see any bias." Somebody said that. Yeah, well, I got your Caucus right here, buddy. I see bias all the time. All right? And we'll let a court determine that. But, you

know, you could hire me as a consultant to deal with all that stuff, I could have helped you out, but, you know, sure. You know, you had a long time at 4 minutes compared to other agencies. That's fine and good, but nothing was broken there. There was no need to change it.

The amount of times you had, you know, an exponential amount of speakers was infinitesimal. All right? There was no problem. But you go to fix it after I call you on it. All right? That's garbage. And furthermore, within the time period that you had the 4-minute thing, which was forever, you blew it. You discriminated. You cut the time when there were black and brown issues, and the LGBTQ, you didn't cut that time, and their meeting was three times as long. That goes to a jury right there, along with the fact that you're cutting me off from my dramatic pauses and all this and that. You can't do that, you know. No, no, no, no. And there were times I wrote in, you didn't call me either. So yeah, you make fake promises to do stuff like you did with my Co-op 138 people. Promised to get with them. It was your guys' error who said -- and I'll wind up shortly -- our guys, Shannon Angel sent a notice out to law enforcement, and they got investigated, and his heart was stopped. I'm almost done. Just give me a second as you give other people. Okay? Please. You know you do, so I'll be done in 10 seconds. And anyway, Shannon Angel based that report, that e-mail on the address they were looking to purchase, not their actual address, and that they ruined their whole lives, and none of you have done a darn thing about it. Good day.

Brooke Davies: Hi. Good morning, Chair Postman, Board Members Garrett, and Vollendroff. My name is Brooke Davies, here today on behalf of the Washington CannaBusiness Association. First of all, I did want to thank the agency for the guidance that was sent out regarding medically-compliant packaging approval for cannabis-infused edibles, specifically in response to some of the questions that WACA had raised as to how this would work moving forward. With that in mind, I did just want to provide some feedback on that guidance for the Board's consideration. We've had some time to review it and talk with our membership, specifically our Processor Sector Council. And what the guidance that was sent out said that if an edible that has already previously been approved, the packaging has been approved, if you are just adding the DOH-compliant logo, it does not need to be submitted for reapproval. However, if -- um, it does have to be submitted for approval if you need to add the language, the mandatory FDA language, or update the serving size.

And so the feedback that we got from our members is that there are no edible products out there right now. If they're not DOH compliant right now, they don't have that mandatory FDA language on it, which is just a simple statement that says, "This Hasn't Been Evaluated by the FDA." The reason that it doesn't have that is because if they would submit a package that's not DOH compliant with that language, the feedback would be, "Why do you have this language on there?" And so what we would ask the Board to consider -- so essentially, it all needs to be resubmitted. There are no products that won't need to be resubmitted under the guidance. So what we would ask the Board to consider is if you are simply just adding the boilerplate logo and the boilerplate language, meaning you've got like a 10 mg edible,

the packaging has already been approved, you just need to add that logo in the language that is the same, that should not require to be resubmitted for approval again because we know how many packaging approvals, it's a slow process. This is just going to clog it up. However, if you are changing the serving size, like in the guidance, that should absolutely require a new submittal because that's technically a new product if you're increasing the amount of THC. Now that it's a DOH product, that should be resubmitted. Also, if you want to add language to your packaging that describes more what the cannabinoids do because you're able to do that with DOH a little bit, that should also be required to be resubmitted for approval. But if you're just adding the logo and that boilerplate FDA language, that shouldn't have to be resubmitted. I just think that it would add a lot of extra time for the packaging that's already been approved. So again, that's what we'd be asking for consideration. The guidance that went out won't -- doesn't filter anything out. That's the feedback that we're receiving because nobody has that FDA language if they don't have it. So I'm happy to follow up in writing. I know it's a little bit confusing to follow all of this. But again, thanks for sending out the guidance, and we hope that we can, you know, work with you on this feedback that we're hearing from our membership.

Mike Asai: Good morning, Chair Postman, Board Member Vollendroff, Board Member Garrett. My name is Mike Asai, Vice President with Black Excellence in Cannabis. I want to speak on a few issues here this morning. We at Black Excellence in Cannabis, have taken a matter into very serious consideration. Allowing current social equity licensees the ability to move to different counties, especially when other applicants had significantly higher rubric scores, would undermine the integrity of the Social Equity Program. This decision would be unfair to those who followed the rules or scored higher but did not receive licenses. There are a lot of pioneers who had 250 scores, 270, 260, and they didn't get a license.

Since 2020, the LCB has misrepresented the issue of mobility. It is crucial for the credibility and the success of the Social Equity Program that applicants remain within the counties they originally selected. Changing this now would erode trust in the LCB's commitment to fairness and transparency. Additionally, we strongly oppose the inclusion of certificate holders in the Social Equity Program. These individuals were aware of the risks associated with having a license in the city or county where licenses were [audio cuts out] banned, including it would give them an unfair advantage and contradict the principles [audio cuts out] of responsibility and planning that are fundamental to this program.

Furthermore, we oppose the removal of affidavits as proof of residency in a disproportionately impacted area, DIA. Affidavits serve as a crucial means for individuals to verify their residency in these areas, particularly for those who may lack other formal documentation. Removing this option would create unnecessary barriers and disproportionately impact those whom the program are designed to support. We also stand firmly against lowering the rubric points for median income down from 40 points down to 15. Lowering these points goes against the legislative intent of the Social Equity Program, which aims to support those who have been economically disadvantaged. Maintaining the 40 points for median income is essential to ensure the program meets its goals of promoting true equity and support for those most affected by past injustices. In conclusion, we urge the LCB to maintain the original county allocations for

social equity licensees, exclude certificate holders from the program, retain affidavits as valid proof of residence in DIAs, and keep the rubric points for median income at 40. This approach ensures fairness, integrity, and adherence of the program's foundational goals. Thank you, and y'all have a good day.

Peter Manning: Good afternoon, Board Members Ollie Garrett, David Postman, and Board Member Vollendroff. I have a couple issues I would like to address today. I actually had this down to 3 minutes, and that's the thing I'd like to speak on. It's like as if, when -- the problem I have is when we have issues in the white community, we get whatever type of response. We get a great response. We get adequate time to address those issues. What's currently happening now to those people that are out there in the audience is that the LCB has got caught doing some racist things to our black and brown community. What I mean by that is, it's going to come out within the next couple of weeks that this agency purposely kept black and brown people out of the industry. There was people there actively in the LCB, such as Rebecca Smith, Nicola Reid, Jeannie McShane, Beth Lehman, and now gone, Rick Garza.

Those people, with the exception of Rick Garza being that he has retired, those people need to be fired because their John Hancock is on every one of those applications that were fraudulently handed out, whereas they rejected black people and brown people that had legitimate applications in 2015. We all looked for the reason as to why this was. Now we have evidence as to why it was, and it's those people I just named. I'm not happy that we're getting ready to expose this, and black people are probably going to be in an uproar when they find out that the LCB did this intentionally. Now we have it to where they can only complain for 3 minutes. When the world was white and the weed was white and the agency that controlled it was white, they gave them 4 minutes to voice any ill feelings they had towards what the agency was doing. But now the black people are coming with a legitimate fight for legitimate reasons, we're cut down to 3 minutes.

I just don't get it, Chair Postman. I don't understand why you made the decision. Ollie, I don't understand why you supported that decision when your people are the ones coming with the complaints right now as far as what this agency's done to it. Why would that be minimized? Our people have a right to express the wrongs that they have been done or that has been done to them. I'm really upset because of that. I don't like to change when we have an issue. You guys want to -- you guys want to bottle up our issues. You know? Like the same - this is no different than trying to tell our kids that slavery didn't exist. And the way you guys deal with that is by not teaching it adequately in schools. The LCB did the black and brown community wrong, and you guys know that's coming out. And you took the time away from us to voice our concerns and express our concerns about it. That is not right, and we're going to push back on this as a community we're going to do that. And just because you have cut it back to 3 minutes, that's just going to mobilize us to come down there in person, time to mobilize the system pack up the pathways, and we'll take that 3 minutes.

Paul Brice: Hello, Mr. Postman and Board and everyone here. My name is Paul Brice. I'm a retailer, Happy Trees. First thing I wanted to talk about was the title certs for four years and also

taskforce, social equity taskforce member. For four years, the whole time we discussed that, anytime title certs came up, it was not about them. It was not their turn. They didn't spend the time to bring forth the social equity that is for, again, black or brown, and it seems like we keep getting further and further away from actually being able to help black or brown. But title certs being able to just freely roam out and would affect a lot of the social equity applicants as they find locations, especially after the fact that they find their locations. Once they set up, then you have this next group of people coming out to then find better positioning among the social equity applicants. It just doesn't make any sense. It doesn't make any common sense at all to -- again, for the four years for this whole program, black or brown, no one wanted to discuss title certs, and all of a sudden, with this window of opportunity, we're trying to jam title certs. It's not for them. It's not their turn.

Another thing is the DIA. If you were in a DIA in the 1990s, and let's say it's Hilltop, South Tacoma, or whatever, just because now gentrification and they removed parks, and they removed violence. If you survive the DIA, there's no way you should take away later the fact, especially if you, again, survive the DIA and made it a better place. And now, all of a sudden, we want to say South Tacoma. I mean, Tacoma is the biggest joke of so many places for violence for so long. And the fact that we've now made it through, and they want to say, oh, well, you were DIA then, but now that you survived it, it's no longer DIA. I mean, that just doesn't make any sense at all.

And getting back to title certs, I only have less than a minute. If they can roll on individually by themselves, sure, then that makes some sense, but same thing with the Social Equity Program and getting easier for the next round. Like, I believe you should have to write a letter, and this should be for black or brown. If you're going to have just a common conglomerate of people or corporations just to -- all the little things, like, what if you have a family affected by offence other than cannabis? If you just simply find a partner, give them 1%, even if that's just to sit there and make your application into being stronger than any one sole proprietor or someone trying to open up a business, it just doesn't make sense because we've already seen. We don't discuss how many people got these licenses, but I already know of 16 licenses that went out to groups of multiple people that just took advantage, specifically by doing that, just finding a way to -- where am I missing on points and make sure I find someone who will have no bearing or no say to just make this to where I can easily get one of these. Thank you.

Chair Postman: That's the end of the public comment period. I'll just say again, I really object to people listing off names of people making allegations, particularly since they have been doing it for years and have never found such evidence. Some of those people aren't here. I don't believe them to be working in a biased way, and I think it's unfortunate for those hard-working employees to have to listen to their name being dragged out on this for things that they have had nothing to do with in some cases. So with that, we are adjourned.

5. ADJOURN

Chair Postman adjourned the meeting at 10:54 am.

Minutes approved this 9th day of September 2025



Jim Vollendroff
Board Chair



Ollie Garrett
Board Member



Peter Holmes
Board Member

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

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