



PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with RCW 34.05.330, the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at <http://apps.leg.wa.gov/wac/default.aspx?cite=82-05>.

CONTACT INFORMATION *(please type or print)*

Petitioner's Name David Rose
Name of Organization The Dutchie
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COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
- Provide relevant examples.
- Include suggested language for a rule, if possible.
- Attach additional pages, if needed.
- Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: <http://www.leg.wa.gov/CodeReviser/Documents/RClst.htm>.

INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule: LCB

☐ **1. NEW RULE - I am requesting the agency to adopt a new rule.**

☐ The subject (or purpose) of this rule is: _____

☐ The rule is needed because: _____

☐ The new rule would affect the following people or groups: _____

☒ **2. AMEND RULE - I am requesting the agency to change an existing rule.**

List rule number (WAC), if known: RCW69.50.335, House Bill 2870, WAC 314.55.570 (8)(d)(ii), Under chapter 236

Please see attached letter.

☒ I am requesting the following change: _____

Please see attached letter.

☒ This change is needed because: _____

Please see attached letter.

☒ The effect of this rule change will be: _____

Please see attached letter.

☒ The rule is not clearly or simply stated: _____

☐ **3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.**

List rule number (WAC), if known: _____

(Check one or more boxes)

☐ It does not do what it was intended to do.

☐ It is no longer needed because: _____

☐ It imposes unreasonable costs: _____

☐ The agency has no authority to make this rule: _____

☐ It is applied differently to public and private parties: _____

☐ It conflicts with another federal, state, or local law or rule. List conflicting law or rule, if known: _____

☐ It duplicates another federal, state or local law or rule. List duplicate law or rule, if known: _____

☐ Other (please explain): _____

Rule Change Request:

We respectfully request that the Washington State Liquor and Cannabis Board (LCB) amend its rules as follows:

"Social equity license holders shall have the unrestricted right to sell, transfer, or otherwise convey their licenses or businesses to any person, group, or company of their choice, without limitation or restriction, provided that the transfer complies with all applicable State and federal laws. Cannabis retailers and license holders must be granted the same rights as other business owners under State and federal law to freely sell or transfer their company or license to any willing buyer or entity."

Rationale:

- This is a request for a formal amendment to ensure fairness for social equity participants.
- Cannabis retailers pay both state and federal taxes and therefore should be entitled to the same rights to buy, sell, and transfer their businesses as other licensed businesses.
- Our white counterparts currently have no such restrictions on their ability to sell their businesses. Social equity participants must be treated the same — no differently — in order to ensure true equity and fairness.
- This change ensures that social equity license holders are treated fairly and equitably, with the same rights to dispose of their property or business interests as other entrepreneurs.
- It promotes economic mobility and allows social equity participants to fully realize the value of their business efforts.
- Federal business law recognizes the right of individuals and companies to sell their businesses to any lawful party. Aligning state rules with federal law will provide clarity and consistency.
- Removing restrictions fosters a competitive, open market and creates more opportunities for new investment and growth within the cannabis industry.

The ability for Social Equity Cannabis Licensees to sell their businesses without stipulations of social equity eligibility is likely a **legislative matter** due to the language in **RCW 69.50.335**.

- Considerations regarding **mobility for Social Equity Applicants under House Bill 2870**, without the requirement of exceeding the lowest score in that county, may be addressed by the Board through rulemaking.
- For **unselected or remaining license allotments** in counties where fewer licenses were applied for than allotted, WAC 314.55.570 (8)(d)(ii) provides the following guidance regarding mobility:

Retailer License Mobility:

Effective January 1, 2026, social equity applicants who applied under chapter 236, Laws of 2020, may change the initial business location from their currently allocated local jurisdiction under the following conditions:

- (i) The qualifying licensee has not secured a location in the initial county where their license is allocated; and
- (ii) Any relocation into a different county requires the qualifying social equity licensee to have received an application score which exceeds the lowest score awarded for successful applicants in the desired county.
- (iii) The lowest scores awarded for successful applicants under chapter 236, Laws of 2020, by county will be posted online.

For counties without scores or where no licenses were allotted under HB 2870, an applicant might consider those areas for relocation, if appropriate.

Conclusion:

We respectfully urge the Board to adopt this rule change to align state rules with federal business rights, provide clarity, and ensure true equity for social equity licensees. We look forward to working collaboratively to create a fair, business-friendly cannabis regulatory framework that promotes growth, opportunity, and parity for all participants.

Respectfully submitted,

David Rose
The Dutchie

From: [David Rose](#)
To: [LCB DL Rules](#)
Subject: Rule Amendment
Date: Sunday, September 28, 2025 6:35:17 PM
Attachments: [Rose.David Petition Form.pdf](#)
[Rule Change Request 928.pdf](#)

External Email

Subject: Social Equity Program – Request for Improvements

Hello Board Members,

I am coming to you today with some concerns about our Social Equity Program and its current operation. My goal is to work with you to identify ways we can improve the program and remove some of the obstacles participants are facing.

The changes I have outlined could help every participant in the program find success in a way that best suits their goals and circumstances. This Board has the power and opportunity to make meaningful, positive changes that truly fulfill the promise of social equity.

Thank you for your time, your work, and your consideration of these proposed improvements.

Respectfully,
David Rose