



Washington State Liquor and Cannabis Board Meeting

Wednesday, April 17, 2019, 10:00 a.m.
LCB Headquarters - Boardroom
3000 Pacific Avenue SE, Olympia WA 98501

Meeting Minutes

1. CALL TO ORDER

Chair Jane Rushford called the regular meeting of the Washington State Liquor and Cannabis Board to order at 10:00 a.m. on Wednesday, April 17, 2019. Member Ollie Garrett participated by phone. Member Russ Hauge was excused.

2. APPROVAL OF MEETING MINUTES

MOTION: Member Garrett moved to approve the March 20, 2019, meeting minutes.

SECOND: Chair Rushford seconded.

ACTION: Motion passed unanimously.

3. ACTION ITEMS (A)

ACTION ITEM 3A - Board Withdrawal of CR 102 for Acceptable Forms of ID – Tribal ID

Janette Benham, Policy and Rules Coordinator, began the briefing with materials (HANDOUT 3A 1).

Ms. Benham: I'm here this morning to request approval to withdraw the CR 102 for Acceptable Forms of ID. This rulemaking was initiated to allow tribal enrollment cards from federally recognized tribes located outside of Washington to be considered as acceptable forms of ID. We're requesting this because after filing the CR 102 with the proposed revisions we received requests from some tribes to delay the rulemaking until after we have an opportunity to consult with them. Other comments we've received have been in support of the proposed rule.

I want to be clear that the CR 101 for this rulemaking will stay open, and we anticipate that after consultation and considering additional stakeholder input we will be able to request approval to file a new CR 102 with proposed revisions that are very similar to this proposed rule.

If approved for withdrawal, we will send clear communication out to stakeholders who have commented and stakeholders in general so they know what the timeline is. I'm happy to answer any questions.

Chair Rushford: I appreciate the additional due diligence, thank you. Ollie, do you have any questions?

Member Garrett: No questions.

Chair Rushford: Is there a motion?

MOTION: Member Garrett moved to approve the withdrawal of CR 102 for Acceptable Forms of ID – Tribal ID

SECOND: Chair Rushford seconded.

ACTION: Motion passed unanimously.

4. PUBLIC HEARING (A)

PUBLIC HEARING 4A - MJ Signage

Kathy Hoffman, Policy and Rules Coordinator, began the hearing with materials (HANDOUT 4A 1).

Ms. Hoffman: This is a little bit of background before the public hearing on marijuana signage. Currently WAC 314-55-086 describes mandatory signs that marijuana licensees must post on licensed premises. Among these is a sign stating "should not be used by women that are pregnant or breast feeding". This specific warning previously aligned with language of other existing rules concerning warnings on packaging, labeling and accompanying materials. As a result of changes to packaging, labeling and accompanying material rules, WAC 314-55-086 needs to be revised and updated, and these proposed rule amendments accomplish that.

This proposal does not change the requirement that signs regarding the use of marijuana during pregnancy and breastfeeding must be posted at retail points of sale. However, it does allow the LCB to coordinate and collaborate with the Washington State Department of Health (DOH) to assure that messaging and education efforts regarding the use of marijuana during pregnancy and breastfeeding is clear, consistent and uniform. These amendment support the overarching agency goal of public health and safety, and they are not anticipated to result in increased cost or administrative burden on the regulated community, but rather will enhance and more consistently provide and support public education efforts regarding the use of marijuana during pregnancy. I'm happy to answer any questions.

Chair Rushford: Any questions, Ollie?

Member Garrett: No questions.

Chair Rushford: You've prepared us well, Kathy, thank you. I have no questions.

Chair Rushford opened the public hearing and invited the first citizen to provide testimony. No one came forward for comment. Chair Rushford closed the public hearing.

Chair Rushford: Thank you again, Kathy and Janette, for your work in preparing us for the Board meeting.

5. GENERAL PUBLIC COMMENT

Chair Rushford invited citizens to address the Board regarding any issues related to LCB business.

Don Skakie – Homegrow Washington

Good morning Chair Rushford and Board member Garrett. You are aware that we have HB 1131 and companion bill 5155 for homegrown cannabis by adults 21 and older in the legislature this year. The bill is still alive for 2020, but it did not get executive session in either branch of the legislature. We want you to know there will be continued efforts through this year to reach out to legislators. The issue is one that is gaining traction rather than going away and we would like to work with the Board on arriving at legislation that does enable that to happen.

We feel that the Board is making some headway with medical, but it is still falling short of what medical patients would find acceptable. It certainly has created a lot of concern amongst everyday consumers that do want to control what goes into their own bodies, which is why homegrow is important.

Also, since the window for new genetics has been closed to retailers there is a desire amongst consumers to have available to them strains beyond what is available in stores. They do want to produce for themselves, possibly for enjoyment, possibly to gain experience so they might one day enter the retail, production, distribution and processing end of the business. We would ask that the Board be sensitive to that in testimony and efforts that go forward.

A couple things did come up in testimony this year that seem contradictory. One of those was that there might be some confusion regarding homegrow. There might be questions about enforcement, whether it was in LCB's backyard or law enforcement. That was later made clear that LCB's discretion is around the retail, production and processors licensed in Washington State and that unlicensed, which is homegrow, would fall to law enforcement. There was also some concern that they might not know if it was illegal or not, but the bill that we put forward was very clear that it would be only six plants at the residence of the person growing and that no sales would be involved. We would like to see testimony in the future be more reality based and clear and factual if the LCB in fact would not have any jurisdiction over home growing, which I believe is the case, we would like that stated up front, openly and clearly. We'll work with law enforcement in follow up, but I don't think it's impossible for them to count six plants and check an ID. Those are my comments for today, thank you for your time.

Chair Rushford: Thank you, Don.

Gregory Foster – Cannabis Observer

Good morning Chair Rushford and Member Garrett. Thank you for hosting the Board meeting and listening to public comments today. I wanted to talk to you a little bit about the Cannabis 2.0 initiative that you are starting off today. I'm here as a citizen observer with the Cannabis Observer and we have the pleasure of sitting in on all the public meetings with you and know that you have this effort that is underway and wanted to make sure the public was aware of it and talk a little bit about it.

I've described this as an effort to assess the agency's regulation of cannabis over the past five years, to incorporate lessons learned, including from states that legalized after trailblazers like Washington State,

and to develop an inclusive legislative program for the 2020 session to better position Washington State for success in the years ahead.

There is a lot that is going to be a part of that and you are kicking off that effort today in internal workgroups and certainly a part of that piece is looking at market place structure. I don't really want to talk about that piece today, but encourage you to look at direct sales for producers and processors and see if we can come up with a good bill that works for them next session.

What I do want to talk with you about is the traceability piece of the puzzle. I want us to consider the future of cannabis supply chain transparency as we progress into interstate and international trade of cannabis products. I want Washington State to be positioned well to participate and succeed as the cannabis marketplace evolves beyond these small, self-contained, experiments that we are a part of right now.

I'm a member of the Traceability Advisory Committee here, since February of 2018 on behalf of the Cannabis Alliance. I have a background in computer science and so I understand all of those pieces and I understand a lot of the challenges that have come up with the way we've been doing traceability. I think it's time for us, as a part of this Cannabis 2.0 initiative to look at the traceability piece of the puzzle, less through a lens of the initial efforts of controlling diversion and making sure we are keeping products out of the hands of minors, which we do want to continue doing of course. But diversion in a world of interstate commerce and international commerce is called export. We want to be prepared for that piece.

I have started conversations at the Traceability Advisory Committee about looking back and documenting the history of the decisions that have been made so we can understand what the important pieces are and why we've made some of the choices we have when it comes to traceability. I also want us to start talking about that future and where we are heading and what we think that is going to look like. I've asked the advisory committee and steering committee members to reach out to the Board, and to have conversations with other staffers with the organization about this.

I'd just like to suggest this might be a place where if you want to gather public input on this piece, maybe a workgroup or something along those lines, so we could have structured input, would be a way to approach that. Thank you.


Chair Rushford: Thank you, Greg.

ADJOURN

Chair Rushford adjourned the meeting at 10:14 am.

Minutes approved this 1 day of MAY, 2019


Jane Rushford
Board Chair


Ollie Garrett
Board Member

Not Present

Russ Hauge
Board Member

Minutes prepared by: Dustin Dickson, Executive Assistant to the Board

LCB Mission - Promote public safety and trust through fair administration and enforcement of liquor, cannabis, tobacco, and vapor laws.

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For questions about agendas or meeting materials you may email dustin.dickson@lcb.wa.gov or call 360.664.1717