



Washington State Liquor and Cannabis Board

To: David Postman, Board Chair
Ollie Garrett, Board Member
Russ Hauge, Board Member

From: Kathy Hoffman, Policy and Rules Manager

Date: July 7, 2021

Copy: Rick Garza, Agency Director
Toni Hood, Deputy Director
Justin Nordhorn, Director of Policy and External Affairs
Chandra Brady, Director of Enforcement and Education
Becky Smith, Licensing Director

Subject: Request for approval to rescind Board Interim Policy (BIP) 04-2018 regarding Title Certificates for retail cannabis [marijuana] licensees in jurisdictions where ordinances prohibit cannabis sales

In April 2018, Board Interim Policy (BIP) 04-2018 was approved to allow retail cannabis licensees who are legally prohibited from opening stores in jurisdictions where local ordinances prohibit cannabis sales to apply for a Title Certificate. Since the legalization of cannabis by the passage of Initiative 502 in 2012, some local jurisdictions have passed moratoria, bans, restrictive zoning laws, reduced allocations, and placed other prohibitions on the retail sale of cannabis. In some areas, these local ordinances have prevented retail licensees from opening.

Washington state law requires retail cannabis licensees to follow all license requirements whether able to open or not, such as having a qualifying location and fulfilling security requirements, reporting sales, and maintaining insurance. BIP 04-2018 was created to allow retail cannabis licensees who are located in jurisdictions where local authorities prohibit stores from opening to apply for a Title Certificate instead. Under the BIP, Title Certificate holders are not required to maintain certain retail cannabis license requirements related to maintaining a physical location, security, traceability, annual license fees, insurance, and sales reporting, as long as other requirements are met. Title Certificate holders are also required to reinstate their license within 6 months of their jurisdiction allowing retail cannabis licensees to open stores.

This BIP was designed to be rescinded upon the adoption of permanent rules. It also contains a statement that the agency will reevaluate the need for Title Certificates after four years of the date of BIP 04-2018 approval, or on or before 04-2022. The agency has reviewed the existing BIP, and determined that converting it to a policy statement was appropriate. While the majority of the policy statement renews BIP 04-2018, it primarily removes the Title Certificate maximum validity date of four years. Other revisions include streamlining and clarification. As a result, BIP 04-2018 is no longer necessary.

If the Board approves rescission of BIP 04-2018, the agency will file Policy Statement PS21-03 with the Office of the Code Reviser to supersede and replace previous agency guidance concerning this topic.

The Board approves/disapproves the rescission of BIP 04-2018.

_____ Approve	_____ Disapprove	_____	_____
		David Postman, Chair	Date

_____ Approve	_____ Disapprove	_____	_____
		Ollie Garrett, Board Member	Date

_____ Approve	_____ Disapprove	_____	_____
		Russ Hauge, Board Member	Date