



Board Caucus Meeting

Tuesday, March 8, 2022, 10:00am

This meeting was held via web conference

Meeting Minutes

CAUCUS ATTENDEES

Chair David Postman
Member Ollie Garrett
Dustin Dickson, Executive Assistant

GUESTS

Chris Thompson, Director of Legislative Relations
Kathy Hoffman, Policy and Rules Manager
Audrey Vasek, Policy and Rules Coordinator

APPROVAL OF MEETING MINUTES

MOTION: Member Garrett moved to approve the February 15, February 22 and March 1, 2022, Board caucus minutes

SECOND: Chair Postman seconded.

ACTION: Chair Postman approved the motion.

Chair Postman: We are going to flip the agenda around a little bit and move the legislative update down toward the end and go into rules updates. Kathy Hoffman, our Policy Rules Manager, will direct us through the next step here. Good morning.

RULES UPDATE – KATHY

Kathy Hoffman: Good morning, Chair Postman, and Board Member Garrett. I just wanted to provide a brief update on our social equity rule work. We have had about a week delay in getting our draft conceptual rules ready to go for the “listen and learn” session. There was some additional detail that we wanted to add to the rule package and the draft conceptual rules, and we wanted to make sure that we were really careful in drafting. So, to make sure that we have a set of conceptual draft rules that people hopefully can understand, we are going to be releasing a draft -- rather than yesterday -- we will release it next Monday, March 14. That puts our “listen and learn” session one week back to March 23. That also brings our CR 102 back to presentation on the date we had originally planned, which was April 13. I just wanted to make sure that everyone was aware of that.

This is not going to stop us from or prohibit us from being able to get a final rule package done by the first part of June. All this does is just create a little bit of a delay getting the conceptual draft rules out to folks for review and the “listen and learn” session just pushed back a week. So again, it does not impact the

overall timeline. It just changes a few dates so that we can make sure we are delivering a product that we are hoping people can understand. So, that is the only update I wanted to offer today.

Chair Postman: Okay, that is a good one. Thank you. we appreciate that update, and are glad we will be able to keep going.

Ms. Hoffman: Right. We just want to be as thorough as possible, so thank you.

Chair Postman: Good. We appreciate that. Member Garrett, anything on that?

Member Garrett: No.

Chair Postman: Okay, well, then, thank you, Kathy.

And we will move to the rules petition then. Thank you. Audrey Vasek, our Alcohol Policy Rules Coordinator, will talk to us about stationary food trucks. Good morning, Ms. Vasek.

RULES PETITION REVIEW AND CONSIDERATION – AUDREY

Audrey Vasek: Good morning. Thank you, Chair Postman, Board Member Garrett. Thanks for the opportunity to be here today and present the staff recommendation on the rule petition related to alcohol service and food trucks.

For background, the Board received this rule petition on January 11, 2022 from Joshua Henderson on behalf of Burb's Burgers. Mr. Henderson currently operates two locations with food trucks. In the email containing the rule petition Mr. Henderson describes these locations as "essentially stationary restaurants that have mostly outdoor seating." Mr. Henderson proposes amending WAC 314-07-010 to revise the definition of building so that beer and wine could be served at these food truck locations. The issue presented by this petition is whether the Board should amend the definition of "building" in WAC 314-07-010(2) to allow beer and wine to be served at stationary food truck locations. Under current law and rule, food trucks are not eligible for any of the liquor license types available in statute.

For example, the restaurant and snack bar license types require licensees to sell alcohol for consumption on-premises. So while on-premises is not defined in the statute, on-premises liquor license premises is defined in rule by WAC 314-07-010 as "a building in which a business is located inside that is allowed to sell alcohol for consumption on the licensed premises." A building is further defined as "a stationary structure with floor to ceiling solid walls and a roof". And, the rule specifically says, "a food truck is not a building." So essentially in order to sell alcohol for consumption on-premises, a licensee is required to have an indoor area available for alcohol services. Food trucks that are not located indoors inside a separate structure that qualifies as a building are ineligible for any of the existing restaurant or snack bar license types because they don't have any of those areas available for alcohol service that would be considered on-premises.

While there are rules that allow licensees to engage in outdoor service of alcohol, these rules are grounded in the fact that on-premises licensees have an indoor area for alcohol service first. For example, the rules for outdoor alcohol service state that "the licensee must have a building that provides indoor dining or production in order to qualify for an outdoor service area." So in other words, a licensee needs to have that indoor service area in order to have an outdoor service area. Similarly, the temporary

endorsements for sales of alcohol-to-go authorized by 2021 Legislation House Bill 1480 are available for a number of on-premises licensees, including restaurants and snack bars. Those endorsements don't change the underlying requirements that are needed to obtain the restaurant or snack bar license type, such as having that indoor area available for alcohol service.

In this context, amending the definition of "building" as requested by Mr. Henderson would be a large policy shift for the agency with broader public health and safety implications, as well. License types such as a restaurant or snack bar would potentially become available to a large number of new applicants, which could lead to greater alcohol outlet density. And in general, greater alcohol outlet density is associated with increased alcohol consumption-related harms. In the rule petition response, I have some references for that.

For these reasons, agency staff find that the issue of whether to allow alcohol service at food trucks is a significant policy issue that would be premature to address without some legislative direction, and agency staff recommend the Board deny the rule petition.

That concludes my presentation. I am happy to answer any questions.

Member Garrett: David, one of the conversations that I had around this, which they did go back and do research and look into -- one of the things that I am noticing is a lot of restaurants didn't survive COVID. And, they are not able to even sustain now due to staffing issues due to not being able to compete with \$20-\$25 an hour salary to staff when their margin is already small, and so they have turned into food trucks. So, there are a lot of restaurants that didn't survive and have not been able to sustain. And I am noticing, especially here in this area, a lot of them have turned to food trucks. I asked if was there something that we could do. In the conversations and discussions, what Audrey presented today as the outcome of this is that this is something that would have to go before the legislators to change anything to do with this. But, we did have a dialogue around why we are probably starting to see these types of requests/petitions coming in.

Chair Postman: Yeah, good. Interesting, because as we heard through the briefings, the food truck now means different things to different people. Some of them are still very mobile and can pull into a parking lot. Some are much more stationary with permanent picnic tables, things of that sort. So it is hard.

One question I had was, is there any role for local governments in this, Ms. Vasek? For instance, if a city determines that, if you have patio tables and -- I don't know -- a picket fence around your food truck, it could qualify as a building? Would that impact that? Or is that all embedded in that WAC that we have on the definition of a building?

Ms. Vasek: My understanding is it is all embedded in the WAC for outdoor service, which requires licensees to have that building. Local governments have their own regulations about those outdoor service areas, like the sidewalk cafes, but they still have to get a license from the LCB.

Chair Postman: Right. Of course. Member Garrett, one of my questions was during the pandemic we allowed these outside alcohol services, and you could put up the plastic covering and things of that sort. So those lines were starting to blur in that way too. But I do agree with the staff recommendation, I think this is something the legislature should weigh in on, and I would be happy to engage in that if that is where there is support to go.

I do believe you are right, Member Garrett. We are going to see a lot more of these, not fewer, so. With that, unless there are any other questions, we would take a motion to accept the staff recommendation for amending WAC 314-07-010 to add that a stationary food truck is considered a building. So what we are going to do here is accept the recommendation to deny the petition.

Member Garrett: Right.

MOTION: Member Garrett accept the staff recommendation to deny the petition as described.

SECOND: Chair Postman seconded.

ACTION: Chair Postman approved the motion.

Chair Postman: Thanks, Ms. Vasek.

Now, we will go back to the legislative update. Chris Thompson is with us as well as Rick Garza, who may have things to add as well. Chris, I will turn it over to you. Good morning.

LEGISLATIVE UPDATE – CHRIS

Chris Thompson: Good morning, Mr. Chairman, Board Member Garrett. It is good to see you this morning. I have a brief legislative update for you.

At this point, there are essentially four bills we have been tracking that have passed the legislature. I will go through that list first here. First, the bill requested jointly by the LCB and the Department of Agriculture, House Bill 1859, has not passed the legislature yet, but it is just one concurrent step shy of that landmark. It passed the House, of course. It passed the Senate with an amendment, and the only amendment the Senate attached is to remove this specific appropriation from the dedicated marijuana account in the bill. So, the funding for this program would be in the budget, and the budget would determine which account the funds come from. It is essentially a routine maneuver in the legislature, so that bill hasn't officially passed the legislature yet, but one easy step left, and that is the concurrence. We are very happy about that.

The bill that changes terminology in RCW from "marijuana" to "cannabis" has passed the legislature. That bill also directs LCB to use expedited rulemaking to make the same change within the WACs that the Board has adopted. So, House Bill 1210 is on the way to the Governor's desk.

Another bill that has already passed the legislature is Senate Bill 5940, by Senator King. This allows our licensees -- for instance, distillers if they have equipment for bottling and packaging -- it will allow them to provide that service through a contract to other of our licensees that has also passed the legislature.

And then the other bill -- I will mention in this category a little loosely -- has passed the legislature because, as I said, the lab bill needs a concurrence yet. Senate Bill 5796 by Senator Saldana is a restructuring of the section of current law that talks about where cannabis revenues are intended to go in general. So that bill, I'm not sure why it was stripped out in Committee, but on the House floor, the bulk of the current statute was put back into the bill. There were a few changes made, and then it passed. Not big changes. And it also includes a study or review by JLARC (Joint Legislative Audit and Review

Committee) to look at ways of improving the transparency and understandability of the information in that statute about where cannabis revenues are to go. But along the way, there are a few minor adjustments. There is a slight reduction in how much would go to the General Fund from 35% to 32%. There is a slight increase in a couple of areas of healthcare for the Basic Health Plan, and Health Care Authority programs there is a slight increase. There are a couple of other minor adjustments that essentially reflect what is currently going on and how much goes to ecology and so forth -- the State Patrol Drug Enforcement Task Force -- minor adjustments. The thing of particular interest, I think, for us is the removal of references to a loan program for the Social Equity in Cannabis Program, so that is not in there. And with that, that is the legislation has got to the point where it has passed the legislature. The paperwork hasn't been delivered, but the Senate concurred in House amendments, so that bill is basically done.

There are a couple of other bills we have been tracking pretty closely that haven't passed but I believe are still viable to consider because exempt from the cutoff. So, a couple of examples there. One is Senate Bill 5004 provides an excise tax exemption for medical patients buying DOH-compliant cannabis products. That has passed the Senate and is before the House. It is on the House floor calendar, and I think, as I said, it does not mean it is dead. I think it affects state revenue, so it should be exempt from the cutoff.

Another example is the House Bill 1827, the Governor's Executive Request on community reinvestment. That bill is on the Senate floor calendar. My understanding is a \$125 million appropriation is in the budget. So I think the legislation quite possibly could be considered NTIB (Necessary to Implement the Budget), and it may not be necessary, depending on how legislators decide to proceed with the budget, but the funding cannot be provided for more than one year anyway. It is a supplemental year of a two-year budget. So, I don't know what the thinking is about how necessary the statute is. But as I say, I believe it is still viable before the Senate. It is on the Senate floor calendar.

And then, finally, the House Bill 1359, which provides a license fee reduction for certain liquor licensees of half of the cost of renewal or initial licensure -- that bill has passed the House. It is in Senate Rules and probably is exempt from the cutoff. It still could be considered, but it hasn't yet been moved out of Rules. So, I don't know what the intention is there from the Senate, but it could still move. I believe it would impact state revenue.

And then I will also mention the legislation regarding the regulation of cannabinoids. Senate Bill 5983 was heard in the Senate Ways and Means Committee on Saturday. It was before the Committee last night for executive action, and what the Committee did was approve a substitute bill proposed by Senator Rivers and then moved the bill out. The approval of the Rivers proposed sub rendered the Keiser proposed sub "out of order", so it was not considered, and the bill moved out of Ways and Means and now would go to the Rules Committee to an uncertain future. We don't know what is going to happen there.

Chair Postman: Just to be clear, you mentioned the Keiser substitute. That largely is the bill that we have been working on -- a lot of the same language that was developed here and in our original agency request legislation. She is the Chair of the Senate Committee with oversight over the industry where that was heard. So that was the bill that has got a lot of attention and a lot of broad support, though it's been controversial. The other one, we had not really seen in this version before.

Mr. Thompson: Right. So the Keiser proposed sub had, perhaps, half a dozen differences from the original agency request legislation. Most of those were more included in the Keiser proposed sub, in light of requests or suggestions from stakeholders to accommodate their requests and suggested changes. I can give you a couple of examples -- I don't know that that is necessary -- but the point being is that Senator Keiser did work with us on that and did work with stakeholders on making some compromises

and accommodations in the bill. But it was substantially, largely, what had originally been proposed by the LCB, and it was, we thought, a pretty good proposal. We were disappointed that the Committee did not have an opportunity to consider that proposed sub. But, as I said, the parliamentary procedure made it out of order.

So, the sub that was approved, we are still looking at and we are still analyzing the implications of it, and we will have more to say as we go through and complete that process of mapping out, what does it actually do? And then as a result of those changes, what could occur or what the results might be if it were to be adopted. We are still in the middle of that. We haven't been part of any kind of development of that proposal. It does reflect essentially what came forward as first House Bill 2123, and then it was introduced to Senate Bill 5981, and it essentially is Senate Bill 5981. The original bill by Senator Keiser was stripped out, and the other bill by Senator Stanford was put in, and that is essentially the Rivers amendment -- the Rivers sub -- is the other bill.

So if there are questions, I would be happy to address those.

One final note -- well, a couple of notes on the budget. There is \$150,000 in the Senate-passed budget for LCB to do a study of cannabis retail outlets. We have discussed that with you before. There is also funding in the budget for convening a task force to look at cannabis retail outlet security issues with an initial report December 1 of this year, and a final report June 30 of next year. And I mentioned this in connection with also a bill that LCB supported that died in the House, the Senate Bill 5927, which would have increased the penalties for premeditated joint armed robberies at cannabis retail stores, provided for more information reporting, and so forth. That bill died in the House. So this budget proviso is something still in play with regard to how security could be improved at cannabis retail stores.

So, that concludes my report.

Chair Postman: One quick little thing on what you were just about -- when you talk about what is in the provisos, have you seen the final? Does anybody have -- do we know where those provisos in both the House and the Senate versions? Are we expecting those to be there, or we don't know yet?

Mr. Thompson: We don't know yet. The House actually did not pass a budget out of the House. The Senate passed a budget, and those negotiations are going on. But the budget bill in the House did not move off the floor. So, that is a little bit unusual in terms of process, but they can do that if they choose to do that. It isn't required that the House pass a bill. And so we don't know where the discussions are and what the House did pass out of Committee and what the Senate passed out of the Senate. They are looking at all those differences and trying to resolve them.

Chair Postman: Member Garrett, do you have questions?

Member Garrett: No.

Chair Postman: All right. I, too, am trying to figure out more about this bill. I have met with staff today and last night, as well, and talked with people in the Governor's office and legislative staff, and elsewhere. Do you know, Chris, have you heard anything since we have spoken about what you think is going to happen? Any real sense?

Mr. Thompson: Well, I think there are people asking what to make of the proposed sub and what makes the most sense in terms of next steps here. I know those questions are being asked. I don't think there

are answers yet, but those questions are being asked by legislators. They are being asked by stakeholders. I have heard from a number of them last night and this morning about expressing disappointment at the outcome and wondering what's next, what is the LCB doing, what is going to happen in the legislature? And at this point, nobody knows very confidently the answers to those questions. It is a real long shot no matter what is in the bill.

Chair Postman: Right.

Mr. Thompson: But for anything to get passed, given the process and the amount of time left, which is --

Chair Postman: Two and a half days.

Mr. Thompson: A little bit over two days. I mean, midnight Thursday is Sine Die. So even if there was unanimous support in the Senate for a bill, it is not at all clear the House could even if it wanted to enact that bill, even unchanged, but --

Chair Postman: Yeah. And it was a strong vote in the Ways and Means Committee for this version of the bill.

Mr. Thompson: 21 to 3, yes. I would call it a strong vote.

Chair Postman: And the three were No Recommendation -- not No's. Right?

Mr. Thompson: Well, both are classified as a no in a sense. But yeah, one is No, Do Not Pass, and there were No Without Recommendation on the bill.

Chair Postman: Okay. Thanks, Chris. Appreciate that. Yeah. So as I said, I have been asking about this bill. I am not an expert. We have some of our experts online, and I would even invite them to correct me if they can.

But as I look at this and I listen to staff, the version that the Ways and Means Committee approved last night moves us backward from where we are today. It would be better -- if one's goal is to protect public health from these emerging cannabis derivatives -- we would be better off to have no bill than the bill the Ways and Means Committee supported last night. And I was really -- I have got to say -- shocked to see that that is what happened. We have talked about this a lot, but obviously not enough because people last night were still saying things that were untrue about the process.

But the bill that they approved runs counter to the position of the Washington Association of Sheriffs and Police Chiefs, of public health organizations around the state. I know the Okanagan Community and Council Group, the Spokane Public Health people, prevention organizations around the state and the industry groups. Almost all of the -- everyone but one industry group had a different vision of what this should be. The Chairs of the two legislative committees with oversight over the industry and over us shared our vision of this. And it seems to me, and again, we are still trying to come up with our official agency position on this. So I will tell you, this is my opinion as a layman, but it reads to me as an attack on the regulatory authority the agency uses to preserve the public health. And that is our mission.

If the bill that Ways and Means approved last night became law, it would deprive the state of the ability to regulate synthetically derived and artificially produced cannabinoids and keep them out of the 502 marketplace without the review and the science needed to prove they are safe. That is just off the table.

And it comes in the middle of an investigation into the various substances and processes that this bill covers. I don't think that is the step that we should be taking nor does the broad array of stakeholders.

The bill that this agency put forward, which was reflected in the version that Senator Keiser was talking about last night, was crafted with a nearly year-long public process, with hearings and moderated discussions we call "deliberative dialogues", with experts from industry, academia, and involved more than 200 members of the public. And if I can just say -- crafted by people who work for us, who are among the nation's leading experts in cannabis regulations, who literally wrote the book on cannabis law in America. And they know what they are talking about.

So I told you a little bit about the people who supported it, but some of -- Washington NORML, the Lux Pot Shop, the Cannabis Alliance, the Sun and Craft Growers, the Washington Association on Substance Abuse and Violence Prevention, Patients United, which represents the medical users. You don't get that coalition of people without a lot of work on a bill. That --

Mr. Thompson: Law enforcement, traffic safety --

Chair Postman: That's right! Over and over again. And that came from the work that the Policy and Rules Team and external relations and legislative outreach did. You don't bring all those people together with just words. We had to show it. And it is because there is a growing concern, alarm even, around the country about these emerging cannabinoids and synthetics. This is not about picking winners or losers in the industry, which is what we hear from everybody in the industry on all sides when they don't like what we do, but we are responding to health warnings from the federal government and others. We are hearing from local governments who are concerned about this.

So, look, I started in March of last year. I have been almost a year in this seat, and the work on this issue started before I got here back when it was delta-8 that was the main topic of conversation. That was in January and February. We had a first draft of a policy statement in February 2021, which worked with industry. We shared this with all the industry groups, even those that disagree with us and oppose us.

We had a revised policy statement in April. We had a second version that we ran by industry. We finally did issue that in April. We filed a CR 101 in May. We had "deliberative dialogues" on plant chemistry in June and July. This included people from the FDA, legislators, and their staff experts from wherever we could get them around the country, from Canada. And it was an in-depth conversation -- serious, sober conversation about what this would do. We had a "listen and learn" on rules in September. We held a public hearing here in December. You just couldn't have done much more outreach than we did. And we wanted to know the difference between synthetic and natural cannabinoids, whether there is a way to determine what might be impairing, whether consumers should know of products that had undergone a chemical synthesis, and what is the safety of the chemicals used in that process? We don't know that.

And I can tell you one of the things that I find so disturbing about what we have been hearing-- not that people disagree with the policy -- that is just the world we all live in. And we know we have a very well-connected and powerful lobbying group that does not like what we are doing. And, you know, hey, that's okay. People don't like their regulators very often, but the disparaging remarks about the staff at the LCB, the false assertions that we did not do outreach, or that we ignored certain things, or that somehow this was predetermined, really is an insult to these people who are, again, some of the finest individuals in general and some of the smartest in this area. And it is not just us who think that. I think that is the only reason we had all the people supporting us. They didn't do it because they love me. They didn't do it

because they always support the LCB. These are people on all sides who did it. So it is just shocking that the Ways and Means Committee came out with a different thing.

There were all these voices out there saying, "Please regulate." "Please give the State the ability to control this." And those voices were not heard. The voices that were heard, unfortunately, were those of the well-connected and the well-capitalized. You know, the voices that have told the legislature this year in writing that they think we need fewer companies dominating more of this marketplace. And they want to replace the, I think, really successful agricultural product we have with a laboratory product. So we did all this work on our bill, and what the Ways and Means Committee did was approve a bill that was written over the weekend and mirrors what the synthetics industry wants. That bill never had a public hearing. Before that vote last night, it had never been the subject of any public meeting. It was similar to some of those earlier ones you mentioned, Chris, but that bill died after one hearing in the Senate and never even got a hearing in the House. And the bill that was developed was not worked with stakeholders. It was not an open process. And again, for us to be told even last night right before this vote that would turn the cannabis regulatory system on its head, that we had not done our outreach just does not -- the facts are there. And as the kids say, "we have the receipts." And I think that that is really important. I feel good about what we did in our outreach.

Mr. Thompson: I would add, Mr. Chairman, that the precursor legislation to the Rivers substitute has not had a public hearing. Its precursor in the Senate didn't have a hearing. Its companion in the House did not have a hearing. The subsequent Senate bill did not have a hearing.

Chair Postman: But there was a Senate hearing on one bill. Didn't Senator Stanford have an alternative THC regulation bill to ours?

Mr. Thompson: There was another Stanford bill that was heard in Senate Agriculture Committee that related to this topic. And so there hasn't been zero public discussion of these ideas but quite limited. And the other point that I would share is that I think the primary stated intent of the Rivers substitute bill, we believe, will not be achieved with that bill. That being getting the impairing, unregulated, and untested products off the shelves in the general retail market in this state. We do not believe that bill would accomplish that goal, which seemed to be the primary focus of most of the members who had something to say in the Committee last night.

Chair Postman: Yeah, and we have heard that since we first started talking about it.

Mr. Thompson: And we did share that with the members of the Committee, all the members of the Ways and the Means Committee not just our position on that issue, but a walkthrough of why and how we got to that conclusion --

Chair Postman: Before the vote that night?

Mr. Thompson: Before the vote, yes. So that was shared with all members of the Ways and Means Committee, why we believe that that bill would not accomplish their primary objective.

Chair Postman: And they ended up, again, with a bill that weakens our ability to do what they all said they wanted to do, which is to control the proliferation of those products, outside 502, even. And I feel confident, and I look forward to hearing more from staff when we have a chance. But we are better off with no bill. This does, as I said, deprive the LCB of the ability to regulate synthetically derived and artificially produced cannabinoids and to keep them out of the 502 marketplaces as well as out, as you were saying.

We don't have the review in the science that everybody again said they wanted. It doesn't require that. It opens the door to basically any derivative here -- THC acetate, THC-O -- whatever the one that is coming up tomorrow that we don't know about. And the fact that the legislators so overwhelmingly would endorse this despite all the voices on the one side, despite the ongoing investigation into this process, despite the fact that the hemp roundtable nationally said, "converting this stuff into something that gets you high violates the intent of Congress." And none of those voices were heard.

I don't know what to do. I think when the session is over, we will get together internally here and figure out what we could have done differently. But I am proud of the work that the staff did, and we have the advantage of having to do all our work in public, and so we do. We don't have different messages for when we are sending something to legislators or when we are talking here. It is all the same. And we have been open. We have the records to show the work we have done on our outreach, and if people choose not to believe that, there is nothing we can do at the end of the line except do the best we can and not be afraid to keep telling the story as we are right here now.

So I guess at this point, my hope is this bill does not go. When it was our version of the bill that had some energy, we were told over and over again, "Unlikely. No time left." So we will see what happens now that it is a very different bill that really goes after the state's authority to protect the public's health. But my message to Senators today, who I will have a chance to talk to, I hope, and their staff is put it down. This bill damages our ability to safely regulate the cannabis industry. And once again, the majority of the cannabis industry agrees, law enforcement agrees, public health agrees, substance prevention agrees. This is not just me. It is not just the LCB. This is not a personal thing. This is not LCB versus one lobbying group. There is something else going on here, and a small group has got a very, very powerful organization, and they were able to turn this vote last night, which I was surprised by. I really was. I will tell you, in all candor, I didn't think our bill was going to get approved last night, but I didn't think that other version would. I really thought they would end up either not acting or neither of them would get the votes to move on at this late date. I was blown away.

Mr. Thompson: I was quite surprised, as well, Mr. Chairman.

Chair Postman: Well, Chris, today, let us know if there is anything we can do to help. I think we do need to get that message to legislators and let them know what is at stake. I think some may not have known exactly what was in front of them, but it was an overwhelming vote that runs counter to everything we have heard all session long, and so we got to see what we can do and prevent it. I have talked to the Governor's Office already. But we got to make sure that people understand this bill is a step backward. It is not a little bit. It is not a case of "it's not everything the LCB wanted, but it is some". It's not. It goes the other way. So --

Mr. Thompson: Yes.

Chair Postman: I will stop. Member Garrett? Anything to add?

Member Garrett: No.

Chair Postman: All right. Sorry to go on but, I have been thinking about this nonstop since hearing the vote last night when you and Rick reached out. And I have been in and around legislatures almost my entire adult life, and I was so shocked. I really was, and still not sure what is going on. So I hope we can

have some good conversations with the people we need to, Chris, and like I said, just let us know if there is anything that the Board can do to help.

Mr. Thompson: Will do. Thank you.

Chair Postman: Okay. Thank you.

Mr. Thompson: I really appreciate all of your work on this. You have been in the trenches with us on a lot of these efforts, Mr. Chairman, and spent a lot of time.

Chair Postman: Maybe that is the problem, Chris.

Mr. Thompson: No, I guess --

Chair Postman: Maybe next session I will go away.

Mr. Thompson: Twelve months of work and three months of actually crafting the legislation before we even got to session with literally hundreds of people, a series of bill drafts and, obviously, through the course of session, we have had lots and lots of conversations with stakeholders that had concerns or problems, one type or another. We have worked to address as many of those as we could while keeping the bill effective, substantive, and in a position where all those stakeholders you mentioned were still on board in support --

Chair Postman: That's right.

Mr. Thompson: -- with the effort. And somehow all those stakeholders other than a couple of trade associations got forgotten and overlooked in the Ways and Means Committee last night, sadly.

Chair Postman: Yes. And I think that one of the things that I admire about the work you have done on this is that we always remained open to compromise. And so we took suggestions seriously. We were open-minded about it, and we accepted things as this went on than earlier we had not because we didn't necessarily understand or see the importance. So we heard from people, we talked about it, we grew support as the session went on with this. Strictly on the cannabis side.

Mr. Thompson: Absolutely. Absolutely.

Chair Postman: Much stronger voices within the cannabis industry as this bill moved on than where we started on day one because it is incredibly complicated. And some of the people -- I know I said I was done -- but some of the people who signed up opposed to this bill were opposed for some technical different reasons, not because they think you should be able to convert hemp into THC. In fact, some of the people that testified Saturday morning in the Ways and Means were very clear about that. You know, it is an anathema to me, but we want this definition of impairing needs to be different or this. So it is an incredibly complicated piece of legislation. Maybe that is our lesson. Maybe it was too complicated and too much in one piece, and we are going to have to look at that. I'm hoping we have an interim to deal with this thoughtfully again and that the legislature does not put this into law, and it does not get signed by the Governor, too. So we will have to turn our attention to that when we can. All right. I will let you go do your work. Thank you, Chris.

Mr. Thompson: All right. Thank you.

BOARD MEMBER AND EXECUTIVE ASSISTANT REPORTS

Chair Postman: And that takes us to the end, other than if we have any other Board Member or Executive Assistant reports. Nothing from Member Garrett. Anything from Dustin?

Dustin Dickson: No. Thank you, Chair.

Chair Postman: Thank you. Okay, with that we will adjourn the Board Caucus for March 8, 2022. Thanks, everybody.

Meeting adjourned at 10:48am.

Minutes approved this 15th day of March, 2022.



David Postman
Board Chair



Ollie Garrett
Board Member

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