

Date:	November 9, 2022
То:	David Postman, Board Chair Ollie Garrett, Board Member Jim Vollendroff, Board Member
From:	Kathy Hoffman, Policy and Rules Manager
Сору:	Rick Garza, Agency Director Toni Hood, Deputy Director Becky Smith, Director of Licensing and Regulations Chandra Brady, Director of Education and Enforcement Jim Morgan, Chief Financial Officer Justin Nordhorn, Director of Policy and External Affairs
Subject:	Request for adoption of final rules (CR 103) to update obsolete a in Title 314 WAC.

The Policy and Rules Manager requests that the Board adopt the final rules and approve the CR 103 to update obsolete addresses for buildings, emails, and webpages in Title 314 WAC.

The Board has been briefed on the rule development background. No public comments were received for this project. A CR 103 memorandum, CR 103P form, Concise Explanatory Statement, and rule text are attached.

If approved, the Policy and Rules Coordinator will file the rules with the Office of the Code Reviser. The effective date of the rules will be 31 days after filing, or December 11, 2022.

addresses

Appro	ove	Disapprove	David Postman, Chair	Date
Appro	ove	_ Disapprove	Ollie Garrett, Board Member	Date
Appro	ove	_ Disapprove	Jim Vollendroff, Board Member	Date
Attachments: CR 103 Memorandum CR 103P Form Rule Text Concise Explanatory Statement				



# CR 103 Memorandum

# Regarding updating obsolete addresses in Title 314 WAC.

Date:	November 9, 2022
Presented by:	Kathy Hoffman, Policy and Rules Manager

# Background

The Washington State Liquor and Cannabis Board (LCB) rules are located in Title 314 WAC. Throughout Title 314 WAC, there are several instances where obsolete addresses for buildings, emails, and webpages need to be updated. For example, references to the former headquarters building address at 3000 Pacific Avenue Southeast need to be updated to reflect the current address at 1025 Union Avenue SE, Olympia, WA 98501.

On August 17, 2022, the Board filed a CR 105 notice for the expedited adoption of rules (WSR# 22-17-081) to update addresses in eight rule sections described below. The Board determined that the expedited rulemaking process was appropriate because the amendments met the criteria in RCW 34.05.353(1)(c): they only make address changes.

During the expedited rulemaking (CR 105) public comment period from August 17, 2022, to October 24, 2022, no public comments were received. As a result, there were no changes made from the proposed rules to the final rules.

## **Rule Necessity**

The final rule amendments are needed to ensure that the agency's rules contain accurate address information. These rule amendments will benefit licensees, staff, and the public by improving transparency, rule consistency, and access to resources.

## **Description of Rule Changes**

The final rules update obsolete addresses in the following eight WAC sections:

**Amended WAC 314-20-018.** Farmer's market beer and wine sampling. The final rule amendments to this section update the outdated "MIWenforce@liq.wa.gov" email address in subsection (2)(f) and (g) to the current "MIWenforce@lcb.wa.gov" email address.

1

**Amended WAC 314-24-175.** Farmer's market beer and wine sampling. The final rule amendments to this section update the outdated "MIWenforce@liq.wa.gov" email address in subsection (2)(f) and (g) to the current "MIWenforce@lcb.wa.gov" email address.

**Amended WAC 314-42-001.** Board operations and procedure. The final rule amendments to this section update the outdated "www.lcb.wa.gov" web address in subsection (3)(a) to the current "lcb.wa.gov" web address.

Amended WAC 314-55-073. Cannabis research license. The final rule amendments to this section update the two references to the outdated "3000 Pacific Avenue S.E., Olympia, WA 98501" headquarters building address in subsection (9) to the current "1025 Union Avenue SE, Olympia, WA 98501" building address.

**Amended WAC 314-60-015.** Agency description—Contact information. The final rule amendments to this section update the outdated "www.lcb.wa.gov" web address in subsections (3)(b) and (4) to the current "lcb.wa.gov" web address. The final rule amendments also update the outdated "3000 Pacific Avenue Southeast, Olympia, WA 98504-3080" headquarters building address in subsection (3)(a) to the current "1025 Union Avenue SE, Olympia, WA 98501" building address.

Amended WAC 314-60-025. Public Records officer. The final rule amendments to this section update the outdated "3000 Pacific Avenue Southeast, Olympia, WA 98504" headquarters building address in subsection (2) to the current "1025 Union Avenue SE, Olympia, WA 98501" building address, add the mailing address PO Box number, and remove an obsolete fax number. The final rule amendments also update the outdated "www.lcb.wa.gov" web address in subsection (2) to the current "lcb.wa.gov" web address

**Amended WAC 314-60-070.** Availability of public records. The final rule amendments to this section update the outdated "www.lcb.wa.gov" web address in subsections (1) and (4) to the current "lcb.wa.gov" web address

**Amended WAC 314-60-080.** Requests for public records. The final rule amendment to this section updates the outdated "www.lcb.wa.gov" web address in subsection (1) to the current "lcb.wa.gov" web address

# Variance between expedited rule proposal (CR105) and final rules:

There were no changes from the proposed rules to the final rules.

# **Rule Implementation**

# Informing Persons Impacted by the Rule

To help inform persons impacted by the rule, the LCB will:

- Email notice with the adoption materials to the rulemaking and licensee distribution lists, and the general LCB GovDelivery list;
- Post rule adoption materials, including final rule language, final analysis (Concise Explanatory Statement), and any other relevant documents on the rulemaking webpage for public access; and
- Provide information on request.

# Promoting and Assisting Education

The LCB will promote and assist education in the following ways:

- LCB Staff will use available and customary resources to disseminate materials and information.
- LCB staff are available to respond to phone and email inquiries about the rule.
- Agency leadership and staff have actively participated in rule development and are familiar with the rules. Internal and external education efforts to share knowledge will be supported.

These actions are designed to inform and educate all persons impacted by the rules.

# Training and Informing LCB Staff

Information about these rule changes will be shared widely with LCB staff. The LCB will also consider:

- Provision of internal and external education, as needed.
- Coordinating and centrally locating decisions to assure consistency between agency, staff, and industry.

# Rule Effectiveness Evaluation

The WSLCB will evaluate the effectiveness of these rules in the following ways, including but not limited to:

- Monitoring questions received after the effective date of these rules, and adjusting education efforts and guidance accordingly;
- Monitoring requests for rule language revisions or changes;
- Monitoring requests for rule interpretation.

CODE REVISER USE ONLY



# RULE-MAKING ORDER PERMANENT RULE ONLY

# CR-103P (December 2017) (Implements RCW 34.05.360)

Agency: Washington State Liquor and Cannabis Board

### Effective date of rule:

- Permanent Rules
- $\boxtimes$  31 days after filing.
- Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

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**Purpose:** The Washington State Liquor and Cannabis Board has adopted rule amendments to update obsolete building, email, and web addresses in Title 314 WAC. For example, references to the former headquarters address at 3000 Pacific Avenue Southeast are updated to reflect the current address at 1025 Union Avenue SE, Olympia, WA 98501. These amendments are needed to ensure that the agency's rules contain accurate address information, and will benefit licensees, staff, and the public by improving transparency, rule consistency, and access to resources.

### Citation of rules affected by this order:

New: None

Repealed: None

Amended: WAC 314-20-018, 314-24-175, 314-42-001, 314-55-073, 314-60-015, 314-60-025, 314-60-070, and 314-60-080.

Suspended: None

Statutory authority for adoption: RCW 66.08.030, 69.50.342

### Other authority:

### PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 22-17-081 on August 17, 2022 (date).

Describe any changes other than editing from proposed to adopted version: There were no changes from the proposed rules to the adopted rules.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

Note: If any category is left No descriptive text.	blank, it will be calculated as zero.					
Count by whole WAC sections only, from the WAC number through the history note. A section may be counted in more than one category.						
The number of sections adopted in order to comply wi	th:					
Federal statute: N	lew Amended Repealed					
Federal rules or standards: N	lew Amended Repealed					
Recently enacted state statutes: N	lew Amended Repealed					
The number of sections adopted at the request of a nongovernmental entity:						
N	lew Amended Repealed					
The number of sections adopted on the agency's own initiative:						
N	lew Amended <u>8</u> Repealed					
The number of sections adopted in order to clarify, streamline, or reform agency procedures:						
N	lew Amended Repealed					
The number of sections adopted using:						
Negotiated rule making: N	lew Amended Repealed					
Pilot rule making: N	lew Amended Repealed					
Other alternative rule making: N	lew Amended <u>8</u> Repealed					
Date Adopted: November 9, 2022	Signature: Place signature here					
Name: David Postman	riace signature nere					
Title: Chair						

AMENDATORY SECTION (Amending WSR 18-02-006, filed 12/20/17, effective 1/20/18)

WAC 314-20-018 Farmer's market beer and wine sampling. (1) To conduct beer and wine tasting at a farmer's market, the following criteria must be met:

(a) The farmer's market must be authorized to allow breweries, microbreweries, and wineries to sell sealed bottled wine and/or beer at retail.

(b) The farmer's market must hold an endorsement to allow sampling of beer and wine or both.

(c) A brewery, microbrewery, or winery offering samples at a farmer's market must have an endorsement from the board to sell beer or wine of its own production at a farmer's market (see RCW 66.24.170, 66.24.240, and 66.24.244).

(d) No more than three breweries, microbreweries, or wineries combined may offer samples at a qualifying farmer's market per day.

(e) A brewery, microbrewery, or winery may advertise that it offers samples only at its designated booth, stall, or anywhere within the farmer's market.

(2) Samples of beer or wine may be offered only under the following conditions:

(a) Each sample must be two ounces or less, up to a total of two ounces per customer per day.

(b) Beer and wine samples are to be conducted at the booth or stall of the brewery, microbrewery, or winery with a barrier at least ((forty-two)) <u>42</u> inches in height, where licensees are able to observe and control customers participating in the samples. The barriers may be moveable (an example would be ropes and stanchions).

(c) A brewery, microbrewery, or winery must have food available for customers to consume while sampling beer or wine, or must be adjacent to a vendor offering prepared food.

(d) Customers must remain in the designated sampling area while sampling beer or wine.

(e) Brewery, microbrewery, or winery employees serving beer or wine during sampling events must hold a valid MAST permit.

(f) The brewery, microbrewery, or winery is required to send a list of scheduled beer and wine samplings to the liquor control board at ((<u>MIWenforce@liq.wa.gov [MIWenforce@lcb.wa.gov</u>])) <u>MIWenforce@lcb.wa.gov</u> at the beginning of each month. The date for each beer and wine sampling must be included.

(g) The farmer's market is also required to send a list of scheduled beer and wine samplings to the liquor control board at ((MIWenforce@liq.wa.gov [MIWenforce@lcb.wa.gov])) <u>MIWenforce@lcb.wa.gov</u>at the beginning of each month. The date for each beer and wine sampling, and the names of the brewery, microbrewery, and winery providing the samples must be included.

(h) The farmer's market is required to provide a sketch to the licensing division of the area where beer and wine samples will be conducted and to any adjacent food booths.

AMENDATORY SECTION (Amending WSR 14-03-084, filed 1/16/14, effective 2/16/14)

WAC 314-24-175 Farmer's market beer and wine sampling. (1) To conduct beer and wine tasting at a farmer's market, the following criteria must be met:

(a) The farmer's market must be authorized to allow breweries, microbreweries, and wineries to sell bottled wine and/or beer at retail.

(b) The farmer's market must hold an endorsement to allow sampling of beer and wine or both.

(c) A brewery, microbrewery, or winery offering samples at a farmer's market must have an endorsement from the board to sell beer or wine of its own production at a farmer's market (see RCW 66.24.170, 66.24.240, and 66.24.244).

(d) No more than three breweries, microbreweries, or wineries combined may offer samples at a qualifying farmer's market per day.

(e) A brewery, microbrewery, or winery may advertise that it offers samples only at its designated booth, stall, or anywhere within the farmer's market.

(2) Samples of beer or wine may be offered only under the following conditions:

(a) Each sample must be two ounces or less, up to a total of two ounces per customer per day.

(b) Beer and wine samples are to be conducted at the booth or stall of the brewery, microbrewery, or winery with a barrier at least ((forty-two)) <u>42</u> inches in height, where licensees are able to observe and control customers participating in the samples. The barriers may be moveable (an example would be ropes and stanchions).

(c) A brewery, microbrewery, or winery must have food available for customers to consume while sampling beer or wine, or must be adjacent to a vendor offering prepared food.

(d) Customers must remain in the designated sampling area while sampling beer or wine.

(e) Brewery, microbrewery, or winery employees serving beer or wine during sampling events must hold a valid MAST permit.

(f) The brewery, microbrewery, or winery is required to send a list of scheduled beer and wine samplings to the liquor control board at ((<u>MIWenforce@liq.wa.gov</u> [<u>MIWenforce@lcb.wa.gov</u>])) <u>MIWenforce@lcb.wa.gov</u> at the beginning of each month. The date for each beer and wine sampling must be included.

(g) The farmer's market is also required to send a list of scheduled beer and wine samplings to the liquor control board at ((MIWenforce@liq.wa.gov [MIWenforce@lcb.wa.gov])) <u>MIWenforce@lcb.wa.gov</u> at the beginning of each month. The date for each beer and wine sampling, and the names of the brewery, microbrewery, and winery providing the samples must be included.

(h) The farmer's market is required to provide a sketch to the licensing division of the area where beer and wine samples will be conducted and to any adjacent food booths.

AMENDATORY SECTION (Amending WSR 18-05-006, filed 2/7/18, effective 3/10/18)

WAC 314-42-001 Board operations and procedure. This section details the general course and method by which the operations of the board are channeled and determined in addition to the other functions and procedures of the board as provided in Title 314 WAC.

(1) The "Washington state liquor and cannabis board" or "board" pursuant to RCW 66.08.012 and 66.08.014, consists of three members appointed by the governor, with the consent of the senate, for staggered terms of six years. Where appropriate, the term "board" also refers to the staff and employees of the Washington state liquor and cannabis board.

(2) The board delegates certain administrative functions to an administrative director appointed by the board as provided in WAC 314-42-010.

(3) Pursuant to the requirements of the Open Public Meetings Act, chapter 42.30 RCW all determinations and business of the board will be made and conducted in meetings open to the public, except matters exempt from the act under RCW 42.30.140 or properly conducted in executive session pursuant to RCW 42.30.110.

(a) The board holds regular meetings as published with the office of the code reviser in the *Washington State Register* per RCW 42.30.075 and as published on the board's website at ((www.lcb.wa.gov)) <u>lcb.wa.gov</u>. For scheduling purposes, it is the board's intent to schedule petitions, take public testimony, conduct rule making activities, and adopt resolutions at its regular board meetings as published in the *Washington State Register* and posted on the WSLCB website.

(b) Occasionally the board may deem it necessary to cancel meetings or conduct business at times other than as published in the *Washington State Register*. For these occasions, stakeholder notification will occur as provided in the Open Public Meetings Act, chapter 42.30 RCW. AMENDATORY SECTION (Amending WSR 22-14-111, filed 7/6/22, effective 8/6/22)

WAC 314-55-073 Cannabis research license. A cannabis research license allows a holder of the license to produce, process, and possess cannabis for the limited research purposes provided in RCW 69.50.372. The WSLCB designates a scientific reviewer (reviewer) to review research applications and make recommendations for the approval or denial of research projects and to assess licensed research activities. The following provisions are in addition to the requirements for cannabis research licensees provided in RCW 69.50.372.

(1) Eligibility and continuing requirements for research license applications, prohibitions and restrictions.

(a) Other than the restrictions listed in this subsection, any person, organization, agency, or business entity may apply for a cannabis research license.

(b) Other cannabis licensees may apply for a research license. Facilities at which the research is conducted must be wholly separate and distinct from the cannabis business, except:

(i) Licensed producers with a research license and approved research project may grow cannabis plants or possess cannabis for research purposes at the producer's licensed premises. However, all cannabis grown or possessed for research purposes or purposes other than those related to the research project must be kept wholly separated and distinct from commercial operations and must not be comingled with or diverted to cannabis grown for commercial purposes or purposes other than those related to the research project; and

(ii) Licensed processors with a research license and approved research project may possess cannabis for research purposes at the processors licensed premises. However, all cannabis possessed for research purposes must be kept wholly separated and distinct from all cannabis possessed for commercial purposes or purposes other than those related to the research project and must not be comingled with or diverted to cannabis possessed for commercial purposes or purposes other than those related to the research project. Licensed processors who do not also hold a producer license may not grow cannabis plants for the purposes of research under a research license at the processor's licensed location.

(c) Labs certified to perform quality assurance testing on cannabis and cannabis products by the WSLCB may apply for a research license. Certified labs with a research license and approved research project must ensure that all cannabis possessed for research purposes is wholly separated from and is not comingled with cannabis possessed for state required testing purposes for licensed producers or processors or cannabis possessed for any reason other than research purposes.

(d) All research license applicants and persons conducting research under the research license must be 21 years of age or older.

(e) All research license applicants and those persons that have managing control over an organization, agency, or business entity must pass a criminal background check and financial investigation prior to being eligible to receive a research license.

(f) Except as otherwise provided by chapter 69.50 RCW and agency rule, no applicant for a research license may possess any cannabis plants or cannabis for research purposes unless and until the research project is approved and the applicant is notified that the research license is approved in writing by the WSLCB. (g) No research licensee may conduct research unless and until the research project is approved by the reviewer and the WSLCB in writing.

(2) Initial applications.

(a) Application made with business licensing services (BLS).

(i) Applicants for a research license must apply through BLS to begin the application process for a research license.

(ii) Upon submitting an application for a research license through BLS, the applicant will receive an application letter from the WSLCB directing the applicant to submit the additional application materials directly to the WSLCB's designated scientific reviewer (reviewer).

(A) The applicant must submit complete and accurate additional application materials directly to the reviewer within 30 days of the date of the application letter from the WSLCB or by the date indicated on the application letter. It is the responsibility of the research license applicant to comply with the application requirements in this section and ensure the application is complete, accurate, and successfully submitted to the reviewer.

(B) Incomplete or incorrect additional application materials, materials that do not adhere to the content requirements in this section, or materials not received by the reviewer by 5:00 p.m. on the 30th day or the application date as indicated on the letter from the WSLCB will not be considered by the reviewer and the WSLCB will withdraw the application after receiving notice in writing from the reviewer.

(b) Additional application materials requirements.

(i) Application materials that do not adhere to the content requirements in this section or incomplete or incorrect applications will be withdrawn.

(ii) The applicant is responsible for ensuring that no information is included in the research plan that may compromise the applicant's ability to secure patent, trade secret, or other intellectual property protection. All application documents must be submitted by a person who has the legal authority to represent the entity if the applicant is an entity other than an individual person.

(iii) All documents must be submitted to the reviewer in a legible PDF format.

(iv) All of the following information and documents are required for each initial application:

(A) A completed cover page form, cannabis research license application form, and signature page form created by the WSLCB and available at the WSLCB's website at ((<del>www.lcb.wa.gov</del>)) <u>lcb.wa.gov</u>.

(B) A research plan limited to eight pages, not including references or citations, that includes the following information:

(I) Purpose and goal(s) of the proposed research project(s);

(II) Key milestones and timelines for the research project(s);

(III) Background and preliminary studies;

(IV) Amount of cannabis to be grown, if applicable, including the justification with respect to milestone tasks;

(V) Anticipated cost of the proposed research project(s) and funding available for the work. The scientific reviewer may request additional information or ask clarifying questions about the cost of the proposal to determine whether the budget meets the scope and design of the proposed project;

[2]

(VI) Key personnel and organizations, including names and roles;

(VII) Facilities, equipment, and other resources required and available for conducting the proposed research project(s).

(C) A biosketch for each individual involved in executing the proposed research project limited to two pages per individual performing technical and administrative functions essential to performing the proposed research, including proof that the individual is 21 years of age or older. Biosketches must be prepared using the National Institutes of Health (NIH) biographical sketch format, available at http://grants.nih.gov/grants/forms/new-renewal-revisions.htm.

(D) Letters of support limited to two pages per letter confirming the commitment of time and resources from external personnel or organizations if external personnel or organizations will participate in research activities under an approved research project. Letters of support are required to confirm the commitment of time and resources from personnel involved in the proposed research project(s) who are not employed at the applicant organization. Letters of support must include specific details regarding the type(s) and magnitude of the time and resources being committed to the proposed research project(s) and must be signed by individuals having the authority to make such commitments.

(E) For all project(s) involving human or animal subjects, documentation of all required institutional review board (IRB) or institutional animal care and use committee (IACUC) approvals. Documents must be provided on IRB or IACUC letterhead and be signed by authorized officials of those regulatory bodies.

(v) Documents that do not conform to the requirements in subsection (b) of this section may be withdrawn. All nonform documents must conform to the following requirements:

(A) Eight and one-half by 11-inch portrait-oriented page dimensions;

(B) Single-spaced with all margins measuring at least one inch; and

(C) At least 12-point font in Times New Roman or Arial, not proportionately reduced.

(c) Review by the WSLCB's designated scientific reviewer.

(i) If the applicant submits application materials to the reviewer by the required deadline specified by the WSLCB's application letter and the reviewer determines the additional application materials are complete and meet the document requirements specified in this section, the reviewer will proceed with reviewing the research project to evaluate whether the project complies with the provisions of RCW 69.50.372 (1) and (2). The scientific reviewer may require the applicant to provide additional information if the scientific reviewer determines that more information is necessary to complete the review.

(ii) When evaluating research projects, the reviewer must:

(A) Ensure confidentiality;

(B) Screen members of the reviewer panel for any conflicts of interest and take appropriate measures if a conflict of interest is identified;

(C) Review all information, including the budget, to evaluate whether the scope and design of the proposed project matches the budget and resources of the applicant; and

(D) The scientific reviewer may require the applicant to submit to a site inspection. The site inspection may occur after the initial review and before the license is issued to evaluate the adequacy of the location, facilities, or equipment to complete the proposed project. (iii) The reviewer will assess fees for the review of the research project proposal directly to the applicant pursuant to RCW 69.50.372(7). The reviewer will not recommend approval of an application for any research license for which an unpaid balance of fees to the reviewer is due regardless of the recommendation of the reviewer regarding the sufficiency of the research project.

(iv) If at any time during the process of review the reviewer finds that the additional application materials are not complete, the reviewer will notify the WSLCB in writing and the WSLCB will withdraw the application.

(v) The reviewer will supply a written evaluation to the WSLCB in writing after completing review of the research project. Evaluations will provide the approval recommendation status; determination(s) of the applicable research category or categories; and, as applicable, the reasons for a "Not Approved" recommendation. The WSLCB will provide written evaluations to applicants following completion of the review process by the reviewer along with the WSLCB's approval or denial of the research license.

(d) **WSLCB requirements and licensing process.** If the reviewer indicates the application for a research license should be approved, the following requirements must be met prior to final approval of the license by the WSLCB.

(i) The WSLCB will request criminal background and financial information from the research license applicant and evaluate the applicant(s) pursuant to the standards and requirements established in WAC 314-55-020 except that research license applicants are not subject to prioritization under subsection (3) of that section;

(ii) Funding of the proposed research must be disclosed by the applicant(s) in amount, timing and source(s). Funding sources may include organizational resources and individuals and organizations that are not part of the person, organization, agency, or business entity applying for the research license. Out-of-state resources may be included, but must be identified;

(iii) The applicant(s) must adhere to the notice posting requirements under WAC 314-55-020;

(iv) The applicant must demonstrate access to and proficiency with the traceability system; and

(v) The applicant must meet facility security requirements as provided in WAC 314-55-083 prior to being granted a license.

### (3) Research license withdrawal and denials.

(a) The WSLCB will withdraw an application if:

(i) The application or additional application materials are determined incomplete or incorrect by the WSLCB or its designated reviewer;

(ii) The additional application materials are not timely received by the reviewer as provided in this section; or

(iii) The applicant(s) request withdrawal of a research license application at any time in the application process. The applicant must request the withdrawal in writing and is responsible for any review costs due to the reviewer. The voluntary withdrawal of a research license application does not result in a hearing right.

(b) The WSLCB will deny a research license if:

(i) The scientific reviewer does not recommend approval of the license after reviewing the research proposal for compliance with this section or RCW 69.50.372;

(ii) The applicant does not meet the requirements for a license under this section or RCW 69.50.372; or

(iii) The applicant provides false or misleading information in any of the materials it submits to the WSLCB or the reviewer.

(c) If the WSLCB denies a research application for the reasons provided in (b)(iii) of this subsection or for failing to meet criminal history or administrative violations requirements under this section, the applicant(s) is prohibited from reapplying for a research license for one calendar year from the date of the WSLCB's denial of the license.

(d) A person or entity that has outstanding unpaid review fees owing to the scientific reviewer is prohibited from reapplying for a research license until all review fees are paid to the scientific reviewer.

### (4) Reporting required.

(a) The WSLCB or the WSLCB's designated reviewer may require reporting by or auditing of research licensees as necessary.

(b) The WSLCB's designated reviewer must submit an annual status report of all completed and ongoing research projects for the previous year to the WSLCB by December 31st of each calendar year.

(c) The licensee must adhere to the reporting requirements in the traceability system under WAC 314-55-083.

(d) The reviewer must immediately notify the WSLCB if it receives information indicating that a research licensee is operating outside the scope of the projects approved under a research license.

(5) Adding an additional research project or changing existing approved research project process (after licensure).

(a) A research licensee is restricted to only those research activities under a research project that has been reviewed and approved by reviewer.

(b) Applications to add a new project or change an existing approved project is the same as what is required for initial application except that a new license application through BLS is not required. To apply to add a new research project or change an existing approved project, a research licensee must submit all materials to the reviewer as required under subsection (2)(b) of this section. Incomplete project applications will not be considered.

(c) The reviewer will review the application for a new research project or change to an existing approved research project pursuant to subsection (2)(c) of this section. The reviewer will supply a written evaluation to the WSLCB and the licensee in writing after completing review of the application for a new research project or a change to an existing approved research project. Evaluations will provide the approval recommendation status; determination(s) of the applicable research category or categories; and, as applicable, the reasons for a "Not Approved" recommendation.

### (6) Research license renewals.

(a) Research license renewals operate on an annual basis, based on the license issuance date. A licensee must have an ongoing approved research project or an application for a new research project to be eligible for license renewal. The WSLCB will notify the licensee and reviewer 90 days prior to the license renewal date. The licensee must provide a status report to the reviewer or an application for a new research project if the licensee's ongoing approved research project will end within 30 days prior to or after the renewal date. The status report or application must be received by the reviewer within 30 days of the 90-day renewal notice from the WSLCB or the license will not be renewed. (b) The reviewer will notify the WSLCB in writing if the licensee meets the requirements for renewal not later than 15 days prior to the licensee's renewal date.

(c) If the reviewer determines that the research project does not meet requirements for renewal due to lack of an ongoing project or for failure to meet the requirements of RCW 69.50.372 or this section for a proposed new project, the reviewer will recommend the WSLCB not renew the license.

(d) The WSLCB will review the licensee's violation history and criminal background check prior to renewal. If the violation history or criminal records disqualifies the licensee from eligibility for a research license under WAC 314-55-050, the WSLCB will not renew the license.

(7) License revocation.

(a) The WSLCB may revoke an application for the following reasons:

(i) The WSLCB has reason to believe that cannabis is being diverted from the research licensee;

(ii) The research licensee operates outside the scope of the research project(s) approved under the license issued to the licensee;

(iii) The applicant makes a misrepresentation of fact, or fails to disclose a material fact to the WSLCB during the application process or any subsequent investigation after a license has been issued;

(iv) The WSLCB finds that the licensee possesses cannabis plants, cannabis, or cannabis products that are not accounted for in the traceability system;

(v) The research licensee makes changes to their operating plan, entity structure, or location without prior approval from the WSLCB;

(vi) The research licensee fails to maintain security requirements for the licensed research facility; or

(vii) The licensee violates any provision of chapter 69.50 RCW or this chapter.

(b) A licensee may request voluntary cancellation of a license at any time. The licensee must request cancellation of a research license to the WSLCB in writing. The voluntary cancellation of a research license does not result in a hearing right.

(8) Cannabis disposal requirements.

(a) Licensees must dispose of cannabis as provided in WAC 314-55-097.

(b) Licensees must dispose of cannabis if the research license is discontinued for any reason. A licensee may transfer plants to another cannabis research licensee. A licensee may work with the WSLCB to dispose of cannabis or cannabis plants.

(9) An applicant or licensee may request an administrative hearing to contest the withdrawal, denial, nonrenewal, or revocation of a research license pursuant to chapter 34.05 RCW. A request for a hearing must be made in writing and received by the WSLCB no later than 20 days after the date the notification of withdrawal, denial, nonrenewal, or revocation was mailed to the applicant or licensee. Appeal requests submitted in paper form may be delivered to the WSLCB in person during normal business hours at ((3000 - Pacific)) 1025 Union Avenue S.E., Olympia, WA 98501, or mailed to the WSLCB. Mailed appeal requests must be addressed to: WSLCB, ATTN: Adjudicative Proceedings Coordinator, P.O. Box 43076, Olympia, WA 98504-3076 or, for certified mail, WSLCB, ATTN: Adjudicative Proceedings Coordinator, ((3000 - Pacific)) 1025 Union Avenue S.E., Olympia, WA 98501.

AMENDATORY SECTION (Amending WSR 22-14-111, filed 7/6/22, effective 8/6/22)

WAC 314-60-015 Agency description—Contact information. (1)(a) The Washington state liquor and cannabis board (WSLCB) is an agency created to exercise the police power of the state in administering and enforcing laws and regulations relating to alcoholic beverage control (Title 66 RCW), cannabis (chapter 69.50 RCW), tobacco (chapter 70.155 RCW), and vapor products (chapter 70.345 RCW).

(b) The board issues licenses relating to liquor, cannabis, tobacco, and vapor products; and collects taxes imposed on liquor and cannabis.

(c) The WSLCB is responsible for enforcing laws preventing access to tobacco products by persons under the age of 18 years (chapter 70.155 RCW). The board enforces the tobacco tax laws and the department of revenue administers tobacco tax laws (chapters 82.24 and 82.26 RCW).

(2) The Washington state liquor and cannabis board is organized into seven divisions:

- (a) Board administration;
- (b) Director's office;
- (c) Licensing and regulation;
- (d) Enforcement and education;
- (e) Finance;
- (f) Information technology; and
- (g) Human resources.

(3)(a) The administrative offices of the Washington state liquor and cannabis board are located at ((<del>3000 Pacific Avenue Southeast,</del> <del>Olympia, Washington 98504-3080</del>)) <u>1025 Union Avenue S.E., Olympia, WA</u> <u>98501</u>.

(b) WSLCB staff is also located at enforcement offices maintained in major cities throughout the state.

Enforcement offices addresses and contact numbers are located on the WSLCB's website at ((<u>www.lcb.wa.gov</u>)) <u>lcb.wa.gov</u>.

(4) An organizational chart is available from the board's public records office which illustrates the general structure of the WSLCB's operations. More information on the construct of the WSLCB is also available on the WSLCB's website at ((<u>www.lcb.wa.gov</u>)) <u>lcb.wa.gov</u>.

AMENDATORY SECTION (Amending WSR 18-05-006, filed 2/7/18, effective 3/10/18)

WAC 314-60-025 Public records officer. (1) The WSLCB public records officer:

(a) Receives all public records requests made to the WSLCB;

(b) Provides "fullest assistance" to persons seeking WSLCB public records;

(c) Oversees the WSLCB's compliance with the Public Records Act, including locating, processing, and releasing records responsive to public records requests;

(d) Creates and maintains an index of certain WSLCB public records, to the extent required by RCW 42.56.070; and (e) Prevents the fulfillment of public records requests from causing excessive interference with essential functions of the department.

(2) Any person wishing to access WSLCB public records should contact the WSLCB's public records officer or designee at:

<u>Mailing Address:</u>

Public Records Officer Liquor and Cannabis Board ((<del>3000 Pacific Avenue Southeast</del>)) <u>P.O. Box 43090</u> Olympia, ((<del>Washington</del>)) <u>WA</u> 98504

Building Address:

<u>1025 Union Avenue S.E.</u> <u>Olympia, WA 98501</u> <u>Phone:</u> 360-664-1693 ((Fax: 360-664-9689)) Email: publicrecords@lcb.wa.gov

Current contact information is also available on the WSLCB website at ((<u>www.lcb.wa.gov</u>)) <u>lcb.wa.gov</u>.

(3) The public records officer may designate one or more WSLCB staff to carry out the responsibilities set forth in subsection (1) of this section; and other staff may process public records requests. Therefore, use of the term public records officer in this chapter may include the public records officer's designee(s) or any other staff assisting in processing public records requests, where indicated by context.

AMENDATORY SECTION (Amending WSR 18-05-006, filed 2/7/18, effective 3/10/18)

WAC 314-60-070 Availability of public records. (1) Many records are available on the WSLCB's website at ((www.lcb.wa.gov)) <u>lcb.wa.gov</u>. Requestors are encouraged to search for and view records on the WSLCB's website in lieu of or prior to making a public records request. An index of public records is available as provided in subsection (3) of this section.

(2) Requestors are encouraged to contact the public records officer to determine the location and availability of records prior to or at the time of making a public records request.

(3) Hours for inspection of records.

(a) Public records are available for inspection and copying at the main office of the board during normal business hours of the WSLCB, Monday through Friday, from 9:00 a.m. to noon and from 1:00 p.m. to 4:30 p.m., excluding state legal holidays.

(b) Records must be inspected at the offices of the WSLCB and may not be removed from WSLCB offices. The majority of public records are located at the WSLCB's central office, although some may be located in other locations, including the regional offices.

(4) **Records index**. The WSLCB maintains an index as required under RCW 42.56.070 and updates the index on a biennial basis at minimum. The index of public records is available on the WSLCB's website at ((<u>www.lcb.wa.gov</u>)) <u>lcb.wa.gov</u>, including:

(a) Final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

(b) Those statements of policy and interpretations of policy, statute and the constitution which have been adopted by the agency; and

(c) Declaratory orders issued pursuant to RCW 34.05.240 containing an analysis or decision of substantial importance to the agency in carrying out its duties.

(5) **Organization of records.** The WSLCB will maintain its records in a reasonably organized manner. The WSLCB will take reasonable actions to protect records from damage and disorganization.

AMENDATORY SECTION (Amending WSR 18-05-006, filed 2/7/18, effective 3/10/18)

WAC 314-60-080 Requests for public records. An individual may request a public record orally or in writing. The WSLCB encourages all public records requests be submitted in writing. Public records requests may be sent to the WSLCB via email at publicrecords@lcb.wa.gov.

(1) A form for public records requests prescribed by the WSLCB is available at its main office and on its website at ((www.lcb.wa.gov)) <u>lcb.wa.gov</u>. A written request or public records request form must be submitted or presented to the public records officer or designee and may be sent to the WSLCB via email at publicrecords@lcb.wa.gov. The request should include the following information:

(a) The name, organization, mailing address, telephone number, and email address of the requestor;

(b) The date and time of day of the request;

(c) Identification of the public records sought, in a form or description adequate for the public records officer to identify and locate the records;

(d) If the matter requested is referenced within the current index maintained by the board, a reference to the requested record as described; and

(e) The address where copies of the record are to be mailed or emailed, or notification that the requestor wants to examine the record at the WSLCB.

(2) If the public records officer or designee accepts a request other than in writing, he or she will confirm receipt of the information and the substance of the request in writing.



# **Notice of Permanent Rules**

# Regarding updating obsolete addresses in Title 314 WAC.

This concise explanatory statement concerns the Washington State Liquor and Cannabis Board's adoption of rule amendments to update obsolete addresses for buildings, email, and webpages throughout Title 314 WAC.

The Administrative Procedure Act (RCW 34.05.325(6)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. The concise explanatory statement must be provided to any person upon request, or from whom the Board received comment.

The Board appreciates and encourages your involvement in the rule making process. If you have questions, please contact Kathy Hoffman, PhD, Policy and Rules Manager at (360) 664-1622 or by email at <u>rules@lcb.wa.gov</u>.

## Background and reasons for adopting these rules:

The Washington State Liquor and Cannabis Board rules are located in Title 314 WAC. Throughout Title 314 WAC, there are several instances where obsolete addresses for buildings, emails, and webpages need to be updated. For example, references to the former headquarters address at 3000 Pacific Avenue Southeast need to be updated to reflect the current address at 1025 Union Avenue SE, Olympia, WA 98501.

On August 17, 2022, the Board filed a CR 105 notice for the expedited adoption of rules (WSR# 22-17-081) to update obsolete addresses in eight rule sections: WAC 314-20-018 (Farmer's market beer and wine sampling); 314-24-175 (Farmer's market beer and wine sampling); 314-42-001 (Board operations and procedure); 314-55-073 (Cannabis research license); 314-60-015 (Agency description—Contact information); 314-60-025 (Public records officer); 314-60-070 (Availability of public records); and 314-60-080 (Requests for public records). The Board determined that the expedited rulemaking process was appropriate because the amendments met the criteria in RCW 34.05.353(1)(c): they only make address changes.

During the expedited rulemaking (CR 105) public comment period from August 17, 2022, to October 24, 2022, no public comments were received.

The final rule amendments are needed to ensure that the agency's rules contain accurate address information. These rule amendments will benefit licensees, staff, and the public by improving transparency, rule consistency, and access to resources.

# Rulemaking history for this adopted rule:

**CR 105** – filed as WSR # 22-17-081 on August 17, 2022.

# Public comments received on the rule proposal:

No comments were received during the CR 105 public comment period from August 17, 2022, to October 24, 2022.

# Changes from Proposed Rules (CR102) to the Final Rules as Adopted:

There were no changes from the proposed rules to the final rules as adopted.