



Social Equity in Cannabis Program

Supplemental CR-102 for WAC 314-55-570

October 23, 2024

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Process Overview

- The CR 101 was filed November 8, 2023.
- During the informal public comment period we received 30 written comments.
- LCB conducted an initial survey of applicants who participated in the application process under HB 2870 (73 respondents.)
- LCB contracted with Whitney Economics to provide information on thresholds for license types by county.
- Stakeholder engagement sessions held on May 15 and May 22, 2024.
- Draft rules were publicly shared with an accompanying survey.
- Survey responses were collected from July 11 to July 18, 2024 (242 respondents.)
- A public hearing on the CR-102 draft rules was held on Sept. 11, 2024.



Substantive Changes

- Registration window(s).
- Scoring Rubric.
- Statewide mobility option for applicants who applied under HB 2870 qualifications.
- Title Certificate Holders.



Registration Window

- There will be two separate registration windows.
- Retailer registration will be the first window to open.
- Producer processors will be second.
- This allows individuals not receiving a high enough application score in the retail process to apply again as a producer and processor.



Scoring Rubric

The goal of the scoring rubric was to provide registrants point accumulation related to the level of impact an individual may have experienced based on the war on drugs, and link impacts to qualifications established in statute.

Scoring was developed and drafted based on a general assessment of direct impacts to an applicant, and stakeholder feedback from verbal, written, and survey submissions.

To ensure familiarity of scores compared to previous rules and proposed changes, the scores in each category match the overall percentage weight on a 300-point scale.



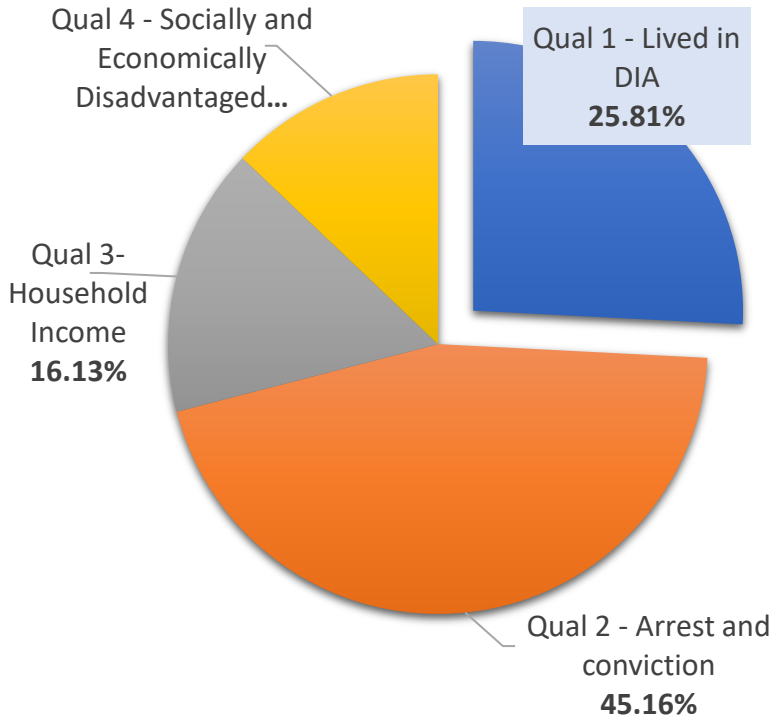
Scoring Rubric

Social Equity in Cannabis Program Scoring Rubric			
	June 2024 CR-102	Supplemental CR-102	
Disproportionately Impacted Area (DIA)	40 points (16%)	60 points (20%)	
Time served: jail or prison	80 points (32%)	60 points (20%)	
<i>Criminal history category</i>	<i>170 points (56%)</i>	<i>150 points (50%)</i>	
Household income	30 points (12%)	45 points (15%)	
Prior dispensary ownership	25 points (9.67%)	30 points (10%)	

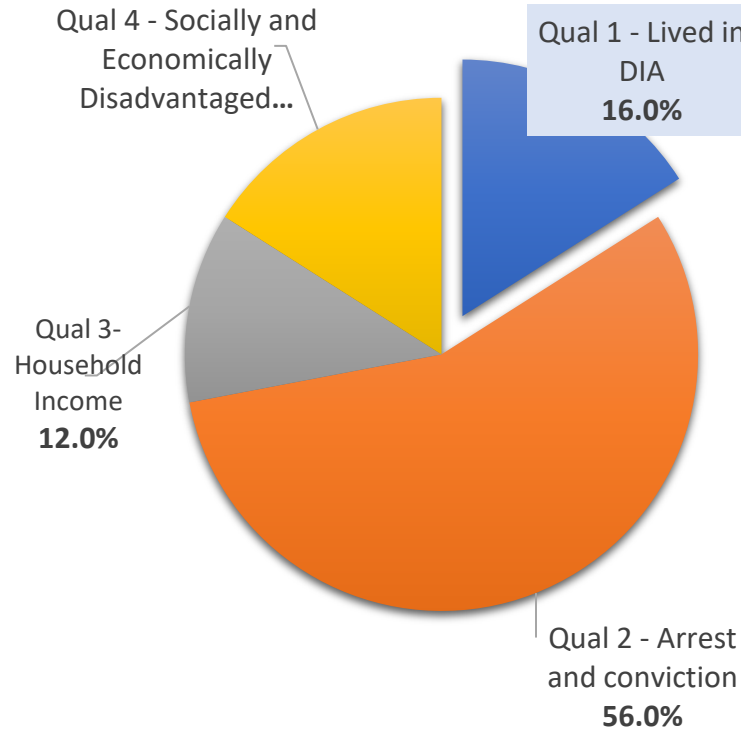


Rubric Comparison – Disproportionately Impacted Area (DIA)

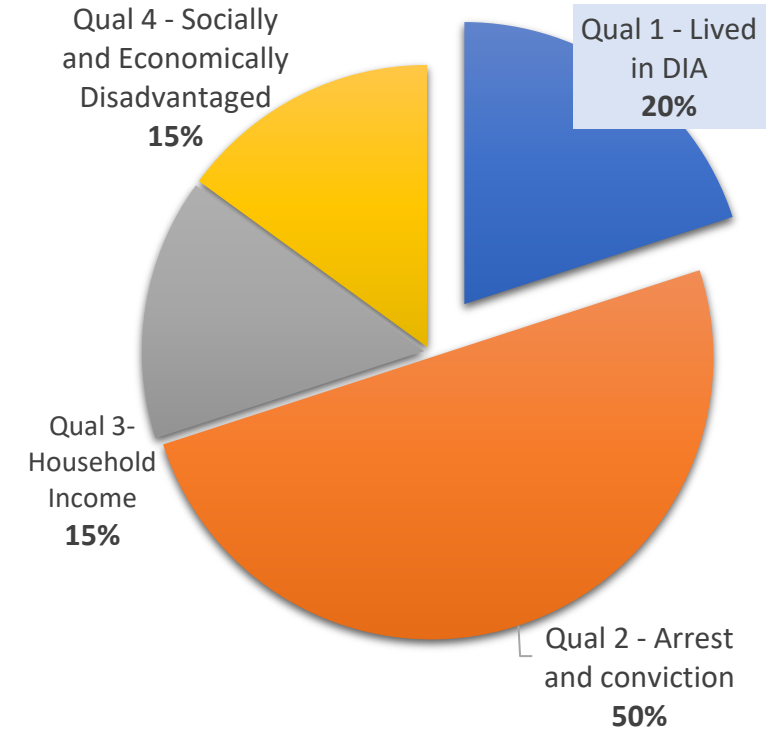
Current Rules From HB 2870



Current Draft Rubric for SB 5080



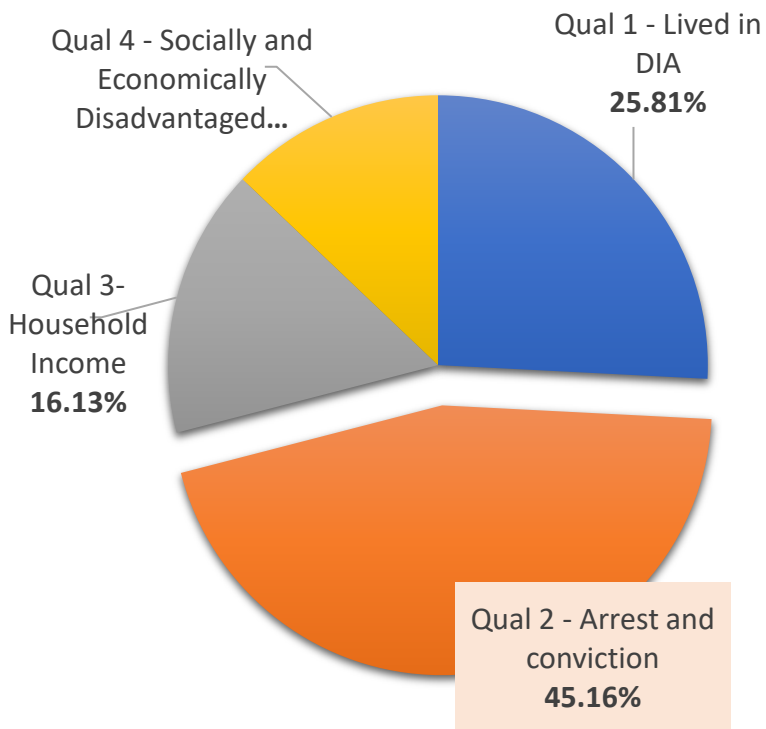
Supplemental CR-102 Draft Rubric



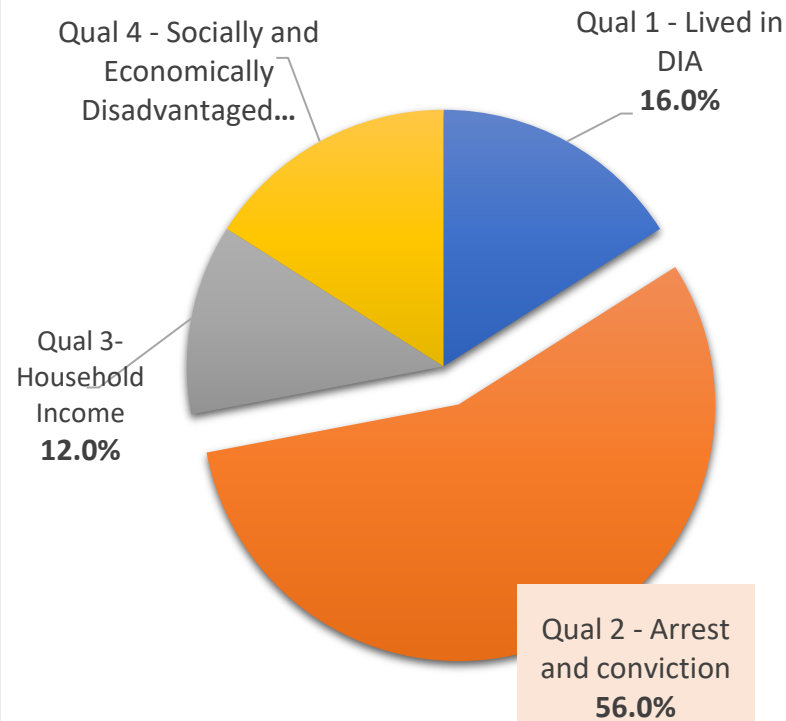


Rubric Comparison – Arrest and Conviction

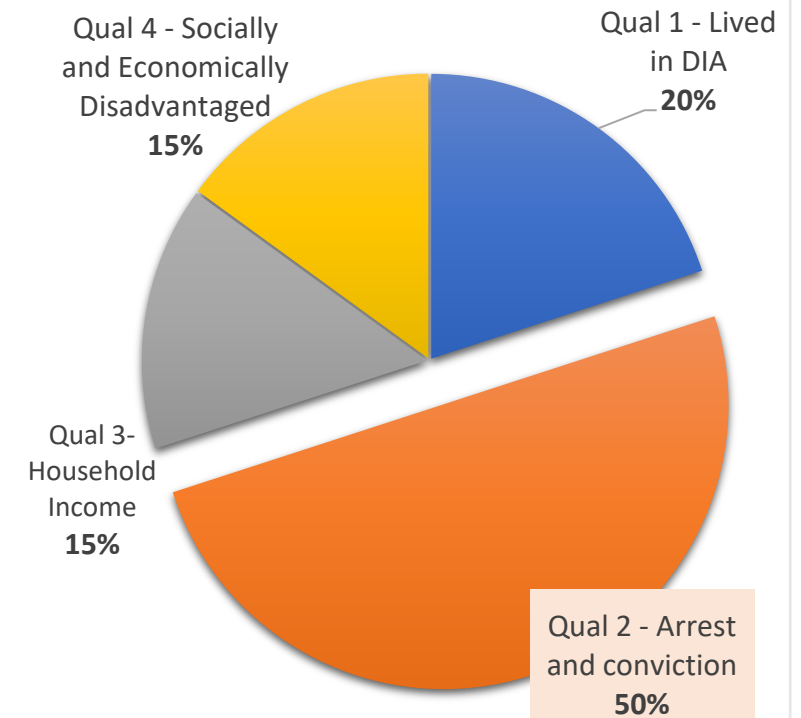
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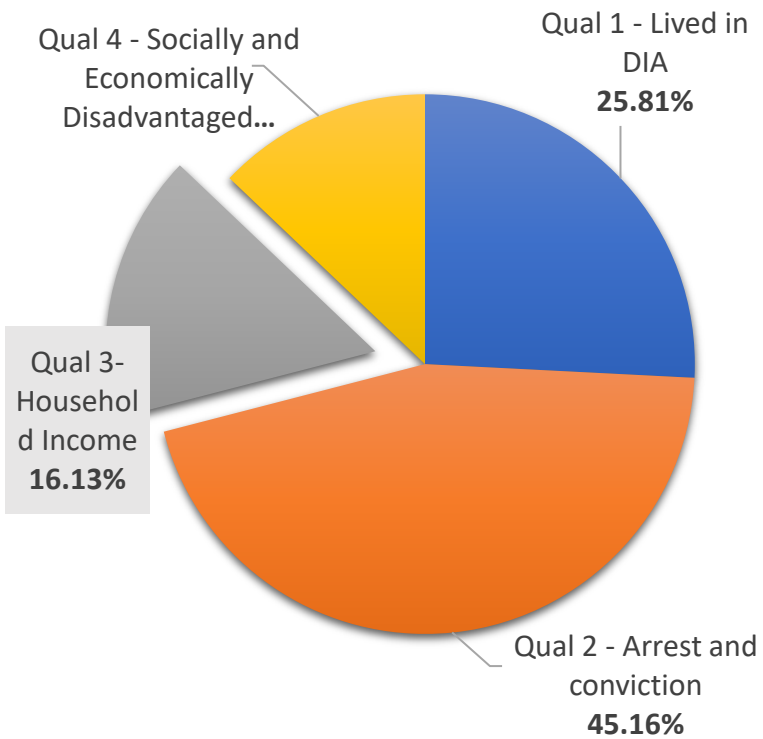
Supplemental CR-102 Draft Rubric



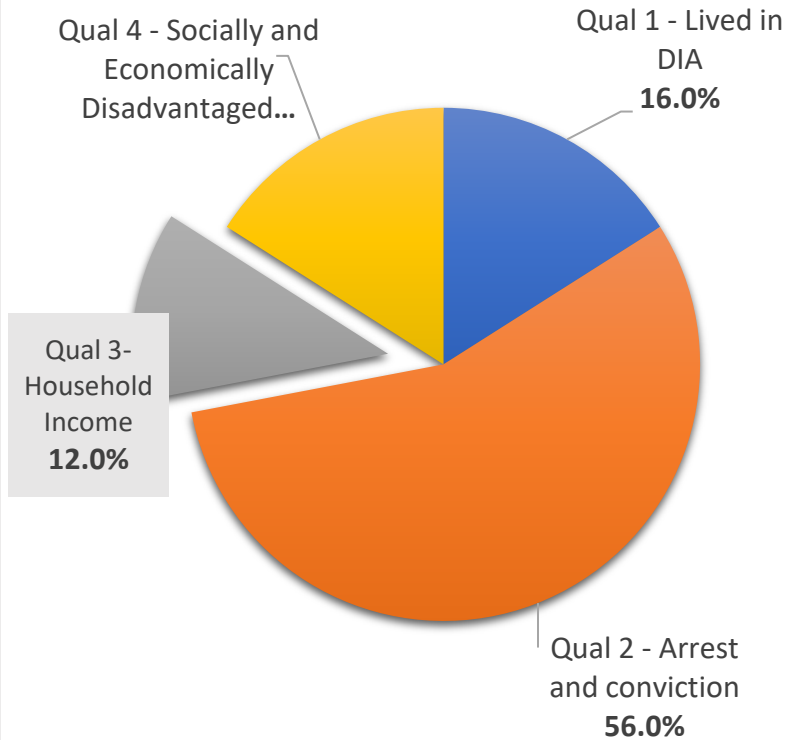


Rubric Comparison – Household Income

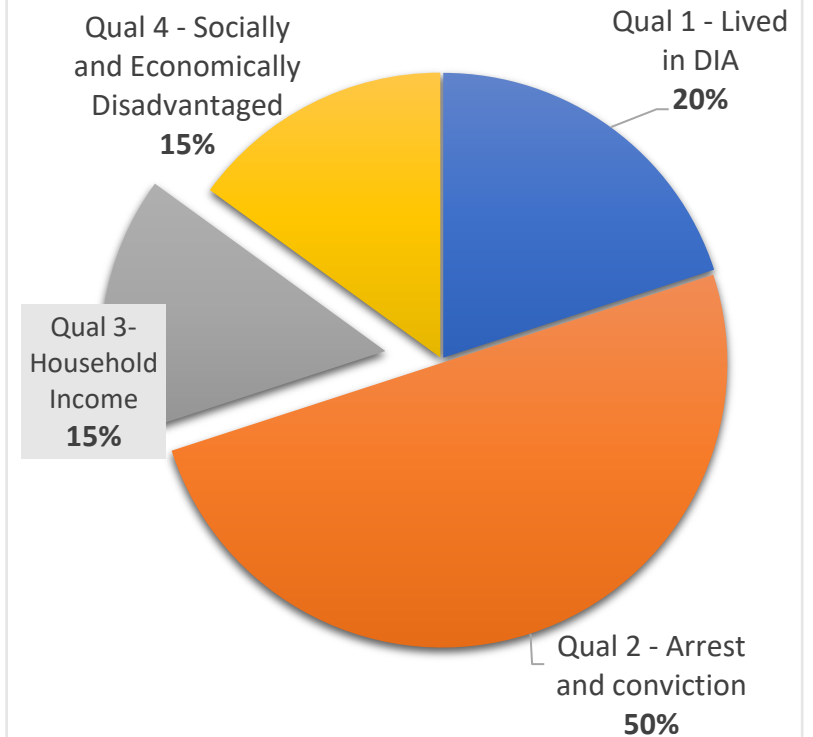
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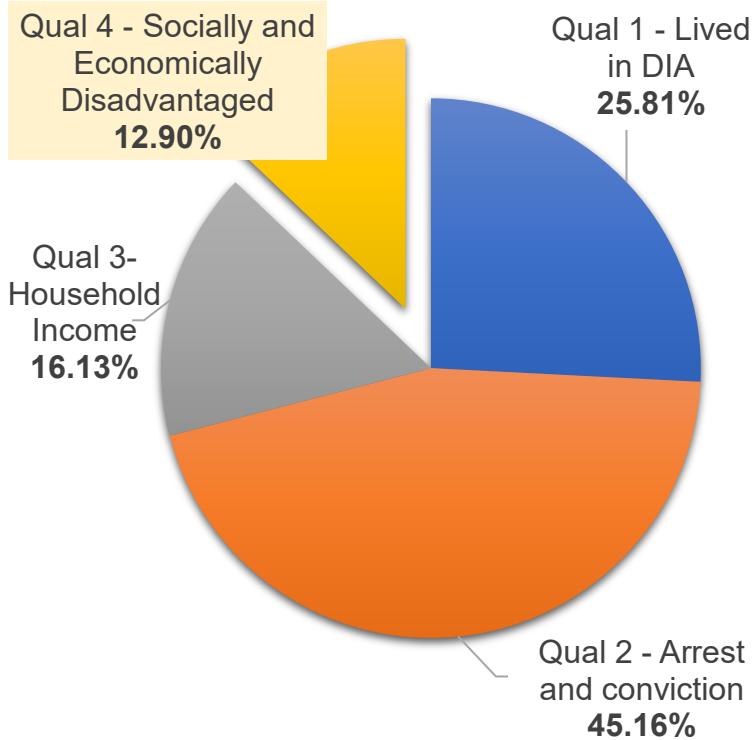
Supplemental CR-102 Draft Rubric



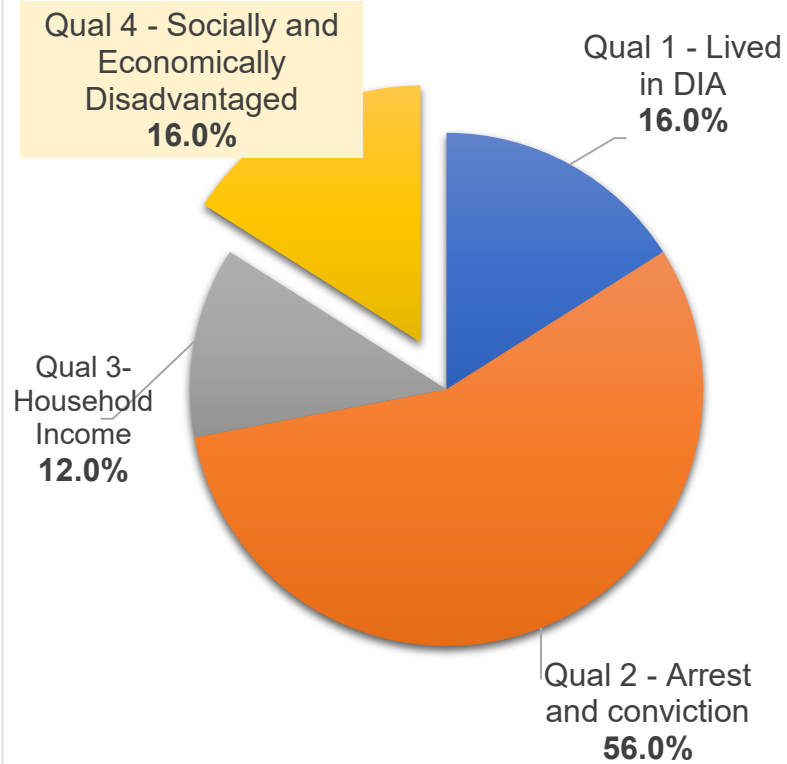


Rubric Comparison – Socially and Economically Disadvantaged

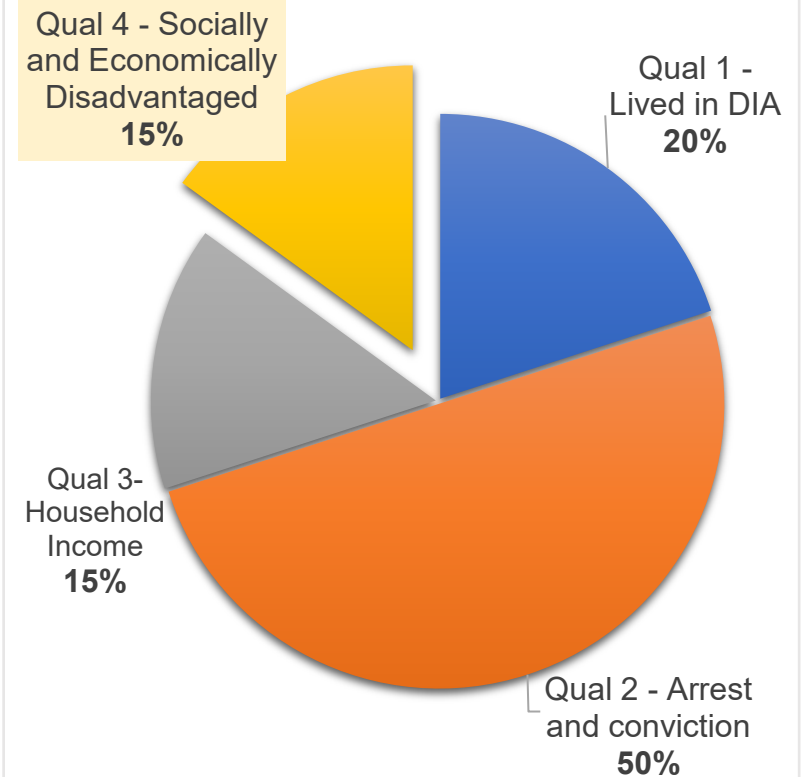
Current Rules From HB 2870



Current Draft Rubric for SB 5080



Supplemental CR-102 Draft Rubric





Washington State Liquor and Cannabis Board

Social Equity Application Scoring Rubric			
Category	Eligibility Requirements	Point Scale	
1	Lived in a disproportionately impacted area (DIA)		
		1-5 years:	15
		6-10 years:	45
		11+ years:	60
2	a. Applicant convicted of a drug offense.	15	
	b. Applicant convicted of a cannabis offense.	60	
3	a. Family member convicted of a drug offense.	15	
	b. Family member convicted of a cannabis offense.	30	
4	If you were convicted of a cannabis offense, what type of sentence did you receive?		
		Fine:	15
		Served Probation or Home Confinement:	30
		Served time in jail or prison:	60
5	Is your household income less than the median household income within the State of Washington as calculated by the United States Census Bureau?	45	
6	a. Owned a medical cannabis dispensary or collective garden, licensed as a business prior to July 1, 2016 or	15	
	b. Owned a medical cannabis dispensary or collective garden licensed as a business in a DIA	30	
7	Applied during the HB 2870 social equity application window, qualified as a social equity applicant, but were not eligible to be issued a license	15	
	Total Maximum Points	300	



HB 2870 Applicant Mobility

- Clarifies statewide mobility options.
- Delayed the effective date of when statewide mobility starts.
- Previously effective 90 days after the registration closes.
- Now effective January 01, 2026.
- Added limitations to mobility based on the licensees' original application score under of HB 2870.
- Rules only allow for relocation into a different county if the HB 2870 licensee has not opened and if their application score exceeds the lowest successful application score for the desired county.



Title Certificate Holder

- Title certificate holder: Maintained previous agency policy, where a location must be in the original county of application.
- Title certificate holders will also be able to apply for a new social equity license under SB 5080.
- The rules establish title certificate holders will be able to register for both a reinstatement of the license and apply for a license which can be located statewide.
- The application window will be the same for reinstatement of title certificates and new social equity retail applications.
- In general, only one registration is allowed during each application window.
- Registering for reinstatement will not prevent registering for a new license application.



Next Steps

- Requesting approval for the updated draft rules today.
- Formal public comment period.
Oct. 23, 2024 – Dec. 04, 2024
- Public hearing is scheduled for December 04, 2024.

Written comments may be
submitted to rules@lcb.wa.gov



Washington State Liquor and Cannabis Board

Questions?