Washington State Liquor and Cannabis Board

Cannabis Quality Control Standards Workgroup

March 2, 2023, from 1:00 p.m. to 2:00 p.m.
This meeting was held via web conference

ATTENDEES

Danielle Rosellison
Elly Sakura
Amber Wise
Megan Hall
Doug Henderson
Michelle Kelso
Terah Ebie
Jay Burns
Mercedes Zahler
Cory Gregson
Micah Sherman
Justin Nordhorn, WSLCB
Kathy Hoffman, WSLCB

Meeting called to order: 1:05PM

AGENDA ITEM 3: Evaluating changes to WAC 314-55-101, -102, and -1025

- **Are the quality control rules doing what they are intended to do?**
- **Are cannabis products now entering retail stores safer due to quality control testing?**

Justin Nordhorn: What are we seeing as far as test results go? Are we seeing a difference in the amount of pesticides that were in products? Is there more being caught? Do we see better compliance? Any of those types of things? Have we seen any type of uptick in heavy metals? And we may have to revisit that at a later meeting because that is not a mandatory test, but it would be interesting to hear from folks on what they are seeing. And then we are also looking at there was some flexibility created in these particular rules around the lot sizes. And so is that working as a benefit as was described in the result of rulemaking? And so that's really some of the focus that we want to be able to dive into with these particular questions and evaluation of this rule set. And so, again, like we said last time, it's really our first follow-up with any type of rule evaluation. This is something we like to do.

Obviously, we are going to have to perfect this as we continue to go. So we appreciate patience and bearing with us as we develop this type of evaluation tool for rule implementation or post rule implementation. So I want to open this up to the group, and we can get some

general feedback on -- and this, again, isn't how it was implemented. It wasn't what was decided to be in rule and what wasn't decided to be in rule. It's based on the rules that were passed. Is this working? Is it meeting the expectations? And are there any unintended consequences that we should be aware of that was a result that we had not thought of as the rule was developing. So I see Amber's hand. Go ahead, kick us off.

Amber Wise: I guess it is in some regard reflective of the emails that were sent before this meeting. It would be great to hear what the intended outcomes were of these rules changes. To some degree, I'm not sure that was made very clear of what the intended outcome of these rules changes were. And that might be a better way for us to start evaluating if they are working or not.

Justin Nordhorn: Sure. So I'll chime in, and then Kathy will jump in.

Kathy Hoffman: I put in the chat just as a reminder we are recording this meeting, so we can put it up on our outward-facing webpage if anyone wants to listen to it who wasn't able to attend today. And then also it really helps us with transcription after the meeting when we send it to our transcription service. That's all I wanted to say, Justin, just as a reminder we are being recorded.

Justin Nordhorn: Oh, thanks. I always skip over some of the technical issues at the beginning because I want to just jump in. So thanks for the question, Amber. Really, what we are looking at is we are developing these pesticide testing rules with improvements on the quality control for consumers, so we have safer product for them. There were concerns around how much product may have been out on the market that was questionable. And so as many people know, we intended to bring in both heavy metal and pesticide testing rules were adjusted and were fine during the process and we ended up having mandatory pesticide testing. And so really that was the focus is really around these rules creating a safer product on the market, and how should we be evaluating what that looks like? And so that was the primary intent. Kathy, do you have anything that you would like to add to that?

Kathy Hoffman: No, I don't. I think you stated it really well, Justin. I think the other thing we wanted to pay close attention to was whether or not this gave our licensees, so those are the folks who must comply with these rules or cannabis producers and processors, the kind of flexibility that they needed to be able to get their product to market. I think previously our rules had some very small sample sizes, so we wanted to provide that flexibility and then remove some one of the testing gates, at least, to getting product to the market. So that was something that we were very interested in as well to provide that flexibility that cannabis businesses might need.

Justin Nordhorn: And I should mention before we get too far into this, because folks are probably wondering, Jeff may be able to make it. We're not quite sure yet. He had some issues come up this morning. And so he may not be able to make it, and so Kathy and I are going to just take the lead today on this particular topic. So just kind of opening it up. I suppose let's start with just the fact of do you as licensees out there, do you believe the product that is now going on to the market is a safer product than it was previous to the rules? Danielle?

Danielle Rosellison: I would ask that -- like, and we can makes guesses -- but it would be great -- has the LCB pulled any product from retail sales to test for the WSDA. That is how we would know whether -- what the answer to that question is.

Justin Nordhorn: Okay. And I don't have that answer today, but we also need to look at this not only from a limited number of samples. If we go out and we do some sampling, quite frankly, I'm not sure it's going to be statistically significant based on the amount of samples that we can collect through that process given our limited resources. So we also need to be looking at this from the evaluation of this as also coming from your perspective on do you feel like there is a higher quality product going out to consumers that is safer than it was before. All right, Amber. I see your hand up.

Amber Wise: I definitely don't think I was the first one, so I'll wait my turn.

Justin Nordhorn: Oh, okay. It looks like -- sorry, I see the numbers now. Terah.

Terah Ebie: Sure, thanks. To answer that question specifically -- I mean theoretically -- that pesticide tests are being done now, then we would hope that the products that are on the market are representative, but the biggest concern that I have goes back to that question of there is still self-selected samples. So it worries me that it's still not representative of what is actually being consumed in the general public, kind of piggybacking off of Danielle's question about off-the-shelf sampling. It's really easy to make sure that that sample that is being sent to the QA lab doesn't have pesticides, but it does it really represent what is out there on the market is a concern.

Justin Nordhorn: Okay. And is there something behind that concern? I mean, do we have any observations that would lead somebody to believe that that's not the case right now?

Terah Ebie: I mean, just in my experience, and someone can correct if I'm wrong -- that Washington is one of the very states with recreational cannabis decriminalization that doesn't have samples that are selected by the state or the quality assurance testing laboratory directly. And it's just something that every farm, every processor does in-house, and so in my

experience working for a licensee, then I can see how easy it would be to falsify what those test results are.

Justin Nordhorn: Okay. Amber, you are number two now.

Amber Wise: I would just echo what Terah says. I mean, it's kind of pointless to talk about a lot of downstream science if the licensee is allowed to self-sample. So I would just like to echo what she said. I'm sorry. I would like to add one more thing.

Justin Nordhorn: Sure.

Amber Wise: You know it's not clear that all of the labs that are testing for pesticides are even able to see all of the compounds, as well. So it's not clear that everybody is even screening for the same sets of molecules. So having some examples of how the LCB has attempted to do any sort of oversight in terms of pulling samples or making label comparisons or anything like that to data that was submitted to the system versus labels that get printed or samples that get sold in the stores, I think would go a long way to having people have a little bit of trust that the LCB isn't just waiting for somebody to tattle, but they are having a handle on enforceable rules that they put on the books.

Justin Nordhorn: Okay. Danielle, you are number three.

Danielle Rosellison: Okay. So I have a couple of things. So one is that it's my understanding that the LCB had totally looked in the not self-assessing samples, and basically didn't do third-party sampling because there is a cost that would be involved. Is that an accurate statement? Like, this is not a new conversation with you guys. Right? So [cross-talk] --

Justin Nordhorn: Correct. Yeah. Kathy, do you want to chime in? But yeah. There was definitely feedback on cost associations with that. And it's not the -- the issue isn't necessarily that the LCB is not interested in improving that integrity, but the cost association with that is not something that the LCB can just stand up on its own. We don't have the funding to be able to do that.

Kathy Hoffman: Absolutely. And so there was a document that we put together that is still up on our website that really dives deeply into what third-party sampling would cost. And there was concern, Terah, I think I heard it from you and from Amber, as well. And there was interest in maybe having WSDA have a branch that would go out to farms and do sampling, pull samples so you could have that sample integrity that I think you are referring to. And we did pencil that out in terms of cost, FTEs, so on and so forth. The other thing to remember is that if a program like that, if that's a program that folks are interested in, that would take a legislative

action to happen. Our LCB Enforcement Agency doesn't have the capacity at this point to send folks out to do sampling, as well. So there is a significant amount of infrastructure that would have to be built up there, as well. And I'll stop there. Go ahead, Justin.

Justin Nordhorn: Yeah, just to be clear so it's not taken out of context, we don't have the capacity to go and sample from every farm that is out there to do those quality controls as you are indicating. But we are doing some enforcement oversight through our sampling program. So it's not that we're not doing anything, but it's the fact that we can't get out and do that for licensees across the state.

Amber Wise: So along those lines, then, you guys had mentioned that the LCB doesn't have the resources to pull product from the retail shelves. Is there since -- we have had the product pulled from us randomly from the LCB. Is there a reason we can't shift that to retailers so that we're getting more representative if the purpose is consumer safety, if we shifted that to retailers, wouldn't that be a better indicator of A.) the new rules are working, and B.) I don't know what B is.

Justin Nordhorn: Well, we'll make a note of that. I don't have necessarily the answers for you on that front because I think on the opposite side of that spectrum when you're looking at the oversight for the product going through the process and trying to make sure that it is a viable product before it gets to retailers. We don't want things to go to retailers, and that being the only place that we are looking at it, and then it's already too late. It's in customer's hands. So we want to be able to sample before it gets to retail to make sure that if we're seeing something that it can get detected before it goes into a consumer's hand. So I [cross-talk] --

Amber Wise: Can I?

Justin Nordhorn: Go ahead.

Amber Wise: I hear that. Having been through the system from a producer-processor side and having the LCB come in to pull samples to take, it would be really easy to fake it. It would be really easy to pass the tests and not get you guys to catch what it is you're looking for. And I know Oregon, they send out recall notices that might be one, two, three years old because they want to at least let the public know, which obviously that product has already been sold through, but at least now you know what licensees you are looking at that have been disingenuous about following the rules.

Justin Nordhorn: Okay.

Amber Wise: There is [indistinct].

Justin Nordhorn: Megan.

Megan Hall: Hello. I work in a lab. I want to say pesticides is at least sort of working because we personally have seen fails come through, so there is at least some being caught in the system. I think it's a very dynamic problem for sampling because you could regionally lock farms going to certain labs if the labs have to go out and sample, it would be a real hard problem to solve.

Justin Nordhorn: So if I'm hearing you correctly, the challenge in that front is that the labs typically are covering a particular geography, and so that is kind of representative of that particular area of those licensees going to them.

Megan Hall: You can kind of see it. There is Terpene Transit, so people can send it from far away, but we are the only lab in the Spokane area, and if we had to go out and sample, we would be limiting farms choices in labs.

Justin Nordhorn: Got it. Okay. All right. So I think, Michah, you were next.

Micah Sherman: Yeah. Hi. Thanks for letting me be here. And so just to kind of chime in to this conversation about self-sampling, and I also wanted to introduce into that same conversation the fact that currently the program tests for allowed and disallowed pesticides in the same way under the same system. And sort of throughout the process of developing these rules, our organization was really interested in seeing different approaches to those two different issues. Because one is about proper application and using products in a way that doesn't cause a failure in these tests, and the other is about preventing people from using things that they are not allowed to use and while also protecting our supply chain from contaminates and drift from those pesticides that are used in the broader world. So we still hold that there is an issue by having these different issues sort of combined into the same system.

And we do think that rather than lot a batch level testing for a lot of this that there is real value in pursuing sort of a more proactive compliance approach like we see with WSDA, where it's more like their program for a lot of pesticides is about getting farmers to use them in a way that is safe. And that is built in to the system. And I do think especially with the allowable pesticides that are on the list that we are testing for, there are ways that we could get more benefit from an approach like that, where we are proactively engaging in farm-level testing versus trying to like create a sampling system for batches that can be both manipulated and just done poorly and not get the results that it needs to because so much [cross-talk] of the type of testing we are doing is about sampling. [cross-talk]. And so I just want to flag that broader issue here [

cross-talk], and to answer your question, I don't think we're doing as much as we can with the testing to make sure the supply chain is as safe as it could be with a different approach.

Justin Nordhorn: So are you saying that the current system is not working as intended?

Micah Sherman: I would say, yes, it's not working. Correct. Because I don't believe it's working as intended.

Justin Nordhorn: Okay. Jay.

Jay Burns: Okay, great. First, just a response to Amber's comment about it's not clear that labs can do the pesticides. I'm not sure where that comes from other than one of our competitors that put out that false statement. We have certainly been thoroughly investigated by the LCB with regard to that. It basically comes down to people not being aware of advances in mass spectrometry. But anyways -- as far as I'm concerned, I have no awareness of that statement being anywhere near true.

And then after that, as far as the sampling goes or how things are going with the system, we are failing lots for pesticides. There is no doubt about it. We are flagging things that weren't flagged before. It's not clear to me that they are not making it on the market. That would require other information. But as you guys know, sampling has been my thing for five years. Though the increases of sample size is up to -- or lot size is up to 50 pounds. I think when you add that in with the fact that people are self-selecting samples, it just compounds that problem. Right? I mean, maybe 5 pounds was too small. Maybe 10 or 20 is more reasonable. But if you figure if people had to do more lots out of their one harvest, you will have a greater chance of catching something as opposed to just lumping it all into one 50-pound lot.

So like I said, I understand the need or the desire to have larger lots to help offset the costs of pesticides, but also on top of limiting choices, some combination of this pesticide rule and the lot sizes, I mean, we have had two labs go out of business since these laws have been put in place. So I feel like I guess it's kind of working, but as was said, until the LCB is starting to pull samples on the retail side, we really won't know. So anyway, I will just leave it with that for now.

Justin Nordhorn: Great. Danielle.

Danielle Rosellison: Thanks. So I actually have some numbers on that, and this is a small sampling. But for our company, we had a decrease of 45% in testing costs in Q3 and Q4 of 2022 compared to 2021. That said, I know another Tier 2 who is very, very comparable to us, and they had a 33% increase in testing costs. And so from a grower's standpoint, it really

comes down to how we grow and whether we are willing to change the way we grow in order to be economically competitive with these rules. So that's just data out there. I like the lot sizes this size, but we grow one strain per room per harvest. Right? Like there is not other stuff in there.

Justin Nordhorn: Okay. So one of the things that I'm hearing, and I'm not sure that -- so we'll have to continue to evaluate these questions is the fact that it sounds from what I gather from the group so far that has shared is we are not going to be able to evaluate this unless there are samples taken to a degree out of the retail shops to be able to evaluate whether or not something is happening there. So if that is truly the case that we can't do an evaluation, then that's going to have to refocus our point here. Because we don't want to waste everybody's time to say, okay, there is really no way to evaluate this from your perspective unless we're doing some other type of data collection, and I totally understand and get that. So I just want to make sure that we are capturing that because we don't want to spin our wheels and waste people's time if that is the case. So Amber, go ahead.

Amber Wise: Yeah. I'm just wondering if there is even the possibility of scanning the CCRS data to see if samples that labs uploaded that have failed are in fact getting transported and sold to stores or being reported as inventory by the stores. Right? There is no testing involved with that. It's just a data analysis project. But I don't know if in theory, someone would change the lot number for a passing, but it's unclear who is monitoring the data that comes in during transfers. I mean, there is nothing stopping anybody from selling product that has failed, really, aside from the store looking very closely at the data themselves. I mean, let's be real. I literally have not had one phone call since the rules changed that I can't sell my product because x, y, and z data hasn’t gone through. Not once. So that leads me to believe that there are no barriers or checks and balances between me signing a failing sample and then that product not ending up in a store somewhere.

Justin Nordhorn: Okay. And so previously, were you getting those types of calls?

Amber Wise: Yeah, all the time. I mean there were glitches in the system, but then there was product being prevented from being sold because there was a fail on it for some reason that wasn't actually real, we were able to go in and update that, and then that product was able to be sold. But since the rules changed, literally now, I have had one of those phone calls.

Justin Nordhorn: Okay.

Danielle Rosellison: Can I jump in here?

Justin Nordhorn: Yeah, go ahead.

Danielle Rosellison: Well, since CCRS or since one of the traceability transfers producer-processors have the ability to change test results from failing to passing. Right? So if you get a test result, you change it in the system. And there is nothing to keep, unless somebody is analyzing that data out there, there is nothing to keep people from doing that, especially when the margins are as thin as they are for producer-processors. And you would have to have a special type of person who is like, I'm either going to go out of business, or I can change this testing results and be able to at least get some sort of income coming in to make rent or payroll or whatever else. So that [cross-talk] --

Justin Nordhorn: So do we have any indications of that actually happening?

Danielle Rosellison: I can't talk for anybody else. We haven't done it, but I am telling you that it is very easy for producer-processors to do that.

Justin Nordhorn: Okay. I think one of the things -- and I heard that type of perspective a number of times -- but I think what is challenging for us is it seems like there is a lot of concern about what people can do, but there is not a lot of backing on what is actually being done. And do we create policy based on worst case scenario and mistrust of everybody in the industry? I'm not so sure that is the appropriate way to make policy. And so that is why I'm asking these kinds of questions. If we have something there, then okay. And it's not that we're going to rush out and do something immediately based on what somebody shares, but we have to have an understanding of those perspectives versus this kind of a broad swath of, hey, everybody can do this. Okay. Well, does that mean it's happening or not? I mean that's a tough thing to be able to assess as well but go ahead.

Danielle Rosellison: And I 100% appreciate that opinion. I do not want to create regulations and policies to the lowest common denominator, which brings us back to retail sampling. Because then you know if people are being unscrupulous or not or if they are tainting test results. And so then you don’t actually have to change policy or regulations out there. Now you have people on your radar that you are like, hey, this person has done something unscrupulous. Let's keep an eye on them.

Justin Nordhorn: Okay. Jay, back to you.

Jay Burns: Yeah. I mean, I would just like to second what Amber said about not getting any reports like we used to get as far as, hey, my results aren't in, or something has failed. I can't sell. We definitely haven't had that anymore with CCRS. And I would just like one other side on that. On the other side of CCRS, with the LEAF system, with all of its problems, it did provide us with the labs of knowing which tests were required for a sample. So if somebody sent us in

a sample and they didn't request mycotoxin testing, but LEAF would tell us, hey, this sample hasn't had mycotoxin testing. And we can call the person and say, hey, you need this. So we're kind of missing out, which is a big aid to us.

And now, for instance, I was going to say before, like an extract ventilation can be sent to us, which is just potency only, and we have no idea if that oil has even been tested. Right? But that's what the person wants. We have no way to verify. We test it. We give a potency only. Now they have a COA they can sell that oil with. I don't know how anybody would track it to know if it had the original solvents done on it. Something like that. So I mean, I think CCRS -- the lack of that redundancy in the CCRS is also compounding some of these problems.

Justin Nordhorn: Okay. I'm just trying to think how to think about that. So I will have to come back to that as I'm rolling it over here. So I appreciate you sharing that. I see -- so that was Jay and, Micah, I think you're next.

Micah Sherman: I was actually just hopping in to talk about the CCRS and the change from the central traceability system to a report audit system, and that is why we are not seeing those flags come up because there is no central system to stop people from making a transfer. However, our traceability software still does do that for us. So we can't unless we go and manually change it, so pretend that it passed the test, but it didn't, it does receive that information. And some of the stuff that's being talked about as far as information about different tests that are needed on different samples, that is stuff we can integrate into the WCIA/JSON link that we all pretty much use to transfer product between each other.

So that is in our control as an industry. We have an organization where we can modify that, and we can absolutely add stuff to that. That would create those checks and balances automatically versus manually, and that is just coordinating with each other to put some of those things into place. And of course, it all depends on people being honest. But there are things we could do as an industry on our side of the fence with the report and audit system to still get some of that interoperability that we enjoyed from the centralized system. So I just want to say that is out there. It is available to us. There is the start of that infrastructure there. We can build on it as much as we would like. It's just a matter of us putting that energy in there. So just to say like we are not dependent on them bringing back a central traceability system to get some of that functionality, we can build some of that for ourselves. So I just wanted to throw that out there.

Justin Nordhorn: Okay.

Danielle Rosellison: Who do we talk to about that, Micah? The traceability third-party people that put that group together.

Micah Sherman: Yeah. There is an alliance of integrators that work together on that. A bunch of folks on this call from the labs are involved in that because the labs obviously have a huge roll in functionality. So that is definitely a space I think we could work on.

Justin Nordhorn: Excellent. Megan.

Megan Hall: I wanted to piggyback on that one. It'sreal hard to follow retesting. So say bacteria failed for whatever reason and they applied for a retest. We don't always get the farm sending us the parent lot, so we can't actually match that up because it's a whole new sampling. It has a whole new ID. So following all of those numbers around and trying to play tag with them is like super frustrating. Because then I have to call, and most of the time I just ask them to email me what they received from the LCB to prove that they got that okayed. But then again, if they just put it on a manifest, it's a new ID. I don't know where that came from unless they send us the JSONs. Which we like the JSONs. They do give us the information. Not everybody uses them yet. So how we track everything can be frustrating if that makes sense.

Justin Nordhorn: Okay. So it sounds like -- and maybe I'm not interpreting this appropriately. So please correct me. One of the things that we were trying to do with how the pesticide testing and the rules were developed was to allow for flexibility and basically looking at the end product if you will. So whatever is going to be going out to the consumer is what we want to make sure was safe. So if somebody harvests something and then does a test to see for themselves, okay, where am I at on this before they do anything else with that product, that wasn't necessarily something that should be avoided, but it wasn't anything that we were going to necessarily come out and say, okay, let's check on all of these particular tests because that's not where the mandatory testing comes in.

So if it goes to the lab as that kind of cursory check, and then they get the report back from the lab and the business decides to do A, B, or C before it goes out to the consumer, then you are going to have another test. So am I hearing this right that folks are concerned about not tracking all of the testing, or is there something else that I'm missing in that? Go ahead, Megan.

Megan Hall: So we see quite a few end products that fail for something, and it's hard to track that fail. I've had stores call and ask specifically for reference information on a sample they received. I can't tell them the parent lot. I can just tell them that that specific ID came through. So there is like a failure in the whole transaction, even if it's an end product. So a lot of bulk flower that just gets packaged up, that can fail a lot for bacteria, but I can only tell you that sample ID failed, and it's the parent lot that you would want to look at.

Justin Nordhorn: Okay. So let me explore that one a little bit further. So if we have this concern about how the process of the testing for these pesticides occurs and you are not able to track that, is there something off the top of your head that you would be able to identify as something that should be considered to improve that potential issue?

Megan Hall: It's generally like so your big lot is considered your parent lot. That gets broken up into the IDs and stuff for selling and whatnot like that. Maybe just adding that to manifests so that we can track it in our database so that we have a copy of it. So when it comes back through, say they got a different test, we would know that matches to that.

Justin Nordhorn: Okay. I think was Megan. And I hope I'm pronouncing your name. Please correct me if I'm wrong. Is it Terah? Right? Okay.

Terah Ebie: I understand what Megan is saying, too, about the lot numbers and the child lots and parent lots, and this is an issue within itself, but even taking a step back from that. I haven't seen personally anything happen, but having worked for a licensee, say I had a 5-pound lot that I sent in for testing, and that failed. And then I had another lot number that sent in another, it's literally as simple as putting a sticker on that bag and putting those good test results on 5-, 10-, 50-pounds of flower that actually failed and then still getting it through to the retailers. And they have all of the documentation that they legally need to be able to purchase it and sell it, but that doesn't prevent the consumer from getting that product.

So when you were asking earlier about is it the best idea to create rules in legislation or policies based around what the worst case scenario is, I understand that we don't want to necessarily just assume that everybody is playing foul like that, but especially given the state of the industry, and like Danielle saying with the thin margins, like a lot of people are in their most desperate times as farmers. And so as a consumer, myself, I worry about that when I'm buying anything from the store of how easy it is.

Justin Nordhorn: All right. Let's see. I think we are to Danielle.

Danielle Rosellison: So yeah, just along all of that, like with edibles, you're going to test the cannabis-infused product. Right? So you're going to pesticide test that. But then you're not going to pesticide test the end product. You're just going to potency test the end product. So what happens is that there is no way for a retailer to figure out whether the test results that you sent them are attached to the product. Right? They don't know about your pesticide-tested intermediate product if it goes with the product that you sent them because there are corresponding numbers to all that. So I don't know if it's a manifest thing or a COA thing where

you say, hey, this is the test result from this product so that chain of custody can be identified. Does that make sense?

Justin Nordhorn: I think so. So what you're indicating that, if I hear you right, that the there is a need for COA tracking through the product transition through the system to the retailer so you can identify what those tests are associated with.

Danielle Rosellison: Yeah. And that was one of my questions to Jeff. Where our retailers and consumers are having a difficult time tracking this, how is the LCB tracking that chain of custody so that we as retailers and licensees and consumers can mimic the system that you guys are using?

Justin Nordhorn: Yeah. And I'm not sure that you can mimic the system that is being used. And quite frankly, when we are looking at some of these types of issues, there is a lot of complaint-based investigations simply because of those resource issues. And so when we look at that type of tracking, it's going to be an audit and hand check, which isn't necessarily something like all licensees are going to be able to mimic. I mean, obviously, you can do it for your own company, but you're not going to be able to do that across the industry.

Danielle Rosellison: Even with all the public records requests? So if I wanted to check on Joe Schmoe's producer-processor, and I had a UBI number or I had the global ID of the final product, could I do public records request to figure out all the test results from that?

Justin Nordhorn: I can't answer that. I can answer the fact that you could do a public records request. Whether we can pull that record or not, I'm not an expert on CCRS, so I don’t want to steer you in the wrong direction. Anyway, I will leave it there. Somebody chimed in on the chat that says, "Yes, you can." But I'm not sure I can answer that.

Kathy Hoffman: I would say neither Justin nor I are public records officers for the Agency, so we would leave that up to our wise public records officer to be able to provide you with a thorough response, Danielle.

Justin Nordhorn: Yeah. So yeah, from a basic foundational piece of public records, anything that comes across our threshold that we keep these records are a matter of public record. So if somebody shared something on a phone call, that's not necessarily ending up in that area, but at the same time, if we have it and it's accessible, then we have to disclose that. So that's one way to do that if the agency were to get inundated with those requests and we could not keep up with that, then they may take quite a while to get completed. But I know our records department does a really good job on communicating with folks that, yeah, we received this,

and here is the estimated timeline for some of those things. But anyways, I digressed. This is not necessarily about the rule evaluation. Amber.

Amber Wise: Yeah, thanks. I just like to -- I was going to bring up pretty much the same example that Danielle just covered but in a slightly different situation of there is someone doing all the correct tests on the concentrate itself and is failing, and then just using that concentrate in an edible, and all of the lots numbers are different. And I have no idea as a lab where what that edible was made from at all. And given the turnaround time for public records requests and not able to use that as a way to know if that is linked in any way, so certainly if there was a way to include any and all lot numbers including flower, concentrate, final product as part of the manifest and part of the COA, that would go a long way to having people's -- I mean, the issue is like I, as a consumer, even if I had that lot number, how am I supposed to find the results for that lot number?

Justin Nordhorn: Okay.

Amber Wise: I don't know the answer to that. And I have thought about this a number of times, and I don't think I would be able to as a consumer be able to find those test results linked, even if all the numbers were there.

Justin Nordhorn: Okay. I think I understand that. Now I do have a question on the -- it's come up a couple of times here around tracking the manifest or putting some of the tracking or building it into the manifest. And in hearing the other arguments around how easy things are to potentially manipulate numbers, does that actually add value to put it onto the manifest?

Amber Wise: Well, if they didn't cheat, somebody who just look at those numbers and then it would all match up. I mean, the idea is to make it harder to cheat than it is to just comply. If you just make it straightforward and make it more complicated to cheat. I mean, I also don't want to believe that everybody is trying to get around the system, but if there are no checks or balances anywhere -- I mean, I appreciate that you think your public records people are responsive, but I have asked a couple of times. I just failed a couple lots, can you confirm that this file went through? Because every other results file from certain licensees have bounced back to me with not matching ID numbers. And then all of a sudden the one lot that I fail suddenly doesn't bounce back to me? Can you please confirm that you have received this? I haven't even got a response that the email was received or that they are looking into it. So I'm just wondering if and when you see fails come into the CCRS system, does anybody say, "Follow up with that licensee and ask what they did with that lot." Ask for the camera footage for when they destroyed it or when they cleaned it up and converted it. I don't know, as a place to start.

Justin Nordhorn: Okay. Looks like Danielle again. No? Okay. Your hand is still up. So, Micah.

Micah Sherman: Thanks. I wanted to hop in again on the nested lot issue and just say there is kind of two things going on there. One is that it is cumbersome for everybody, and two, is that it's potentially manipulatable. I think those are two pretty different things that need to be approached differently. So the cumbersomeness, which is that like let's take the infused joint as an example. Now, let's say that joint is infused with two different kinds of concentrate because it's very fancy. So now you have got a product with two different concentrates, flower, so you have three different potentially tested products. And then you have one end product, and that end product only requires a potency test. And so the end product could end up with a COA that is just a potency test and none of the other information for it. I think that that infused joint, you need to provide us the producer, and then you need to expect as the retailer the COAs for all of the products that are in as well as the end product. And that's the obligation of us as licensees to make sure that those products are getting delivered with all of the COAs that are nested within that product.

And to go back to our friend, the JSON link, it does that work for us, and it is something that makes life easier on our end to be able to do that because it can build all of those previous lot numbers into the transfer. So that is one place where I think we can make life easier for ourselves as licensees, it's to use that approach because then you can basically direct the software to say when sending the COA for this infused joint, send both the COA for the end product and all of the things that went into it, and so now you have a PDF package that has everything in there in one. And that is the sort of stuff that we can do because that's the reality of the report, not the system. It's never going to stop somebody from doing something. It's going to be there from when we need to determine if there was wrongdoing.

And so I think making sure that we are separating off the cumbersomeness of something that we are just getting used to and is new from, how is it going to prevent people from manipulating the system? Because I'm in agreement with Justin that we shouldn't orient everything around just that. A vast majority of us are trying to do the right thing, and we want tools that make it easy for us to do that. And I feel like a majority of our effort should be focused on making sure that we have what we need to do the good work and do it well and not make mistakes that lead to these sorts of errors. Because I personally don't think a lot of the issues are necessarily about people being nefarious but probably more likely people being sloppy or being internally -- having their internal communications within their firm may be not aligned very well, and it is pretty cumbersome.

And so I think just thinking about it in that context where were have two different things going on. It was like the difficulty of using it versus the easiness of manipulating, and they do kind of reinforce each other because it becomes hard to tell what manipulation is and what is just

somebody who maybe doesn't know what they are doing, making a mistake. And I just want to highlight those different things to think about.

Justin Nordhorn: Thank you. So it looks like we are down to about 5 minutes left for this session. So just based on some of the early conversation in this session, I want to ask the group if -- it sounded like there needs to be some internal data evaluations for an effective evaluation for everybody's opinion. And so what are the next steps? Do you all want to meet again? Or do you feel like we will need to take a look at some of the data evaluation before meeting again? Or is there -- I don't want to call another meeting together if folks don't feel like there is value added to that. I'm certainly happy to have another meeting if folks want to continue the conversation. But it sounded early on we are getting more suggestions and more concerns around what is working and what is not working based on the rule set, and that is kind of what we wanted to see.

We didn't really talk a lot about unintended consequences today, and I actually heard somebody before, not in this meeting but outside, share something with me that I thought was an interesting aspect. So we certainly could have another meeting. But, Jay, I see your hand up, so go ahead.

Jay Burns: Yeah. I mean I think I would like to have some way for this group to keep communicating at least in between big meetings. I don't know if we are ready for another -- need to add an additional meeting or not as far as that goes. But I feel like when we are all in between these one-hour meetings, we don't really do much. I think it would be great if the LCB would set up some sort of a format that we can have discussions on the side and come up with ideas so that when we come here, we can make a little bit more progress or refine things with something like that. That would be my suggestion.

Justin Nordhorn: Okay. So [cross-talk] let me throw this out to folks then. So if the workgroup would like to look at things outside of the meetings, which that is great, what would you suggest licensees and labs be able to look at for evaluation? And what would you want to come back to a later meeting with input on or an evaluation of? I mean, we can start looking at some of the data that we have, but from a licensee perspective, what would you be considering doing as a workgroup to bring back to this discussion? I see Jay's hand is still up. I don't know if that was new or old but, go ahead.

Jay Burns: It was old. Sorry, I forgot to take it down. But I mean I think we have a lot of experience here, and I think all these questions we could provide information. I mean, I have certainly done my analysis of my public records requests. I mean, I agree with Amber. It takes a while to get sometimes, but it usually comes through. But if you as the LCB if you want to propose something to us to look into, any one of these questions are all of them. I mean, I

think we would all be happy to chime in here and there in that time. I mean I would be. I guess I shouldn't speak for everybody, but I speak for myself.

Justin Nordhorn: Okay. So any other comments? Kathy, did you want to chime in before we [cross-talk] --

Kathy Hoffman: I was just going to offer, I lead the Cannabinoid Science Work Group, and in between meetings, and they are paced two months apart, we do work in between those meetings, and we do that primarily by email exchange. But if that is something that this group is interested in doing, I think that is something that Justin and I could help with. so maybe I will do a follow-up after this meeting and see if that is something that this group would be interested in doing. And it's different interest areas that people have. We vote on different things like, what are we going to talk about next time? Those kinds of things. And I know, Amber, you are on that group, and that group has over time been able to hone down on what it was, what it is, and then rank the topics that they want to talk about based on those conversations that happen in between meetings. So I'm happy to set this up for this group, as well.

Justin Nordhorn: Okay. Danielle, last comments before we wrap up here.

Danielle Rosellison: Something that would help me out a lot before we meet again, as I sent, I don't know, 15, 17 questions to the LCB to help me specifically because the group wanted me to make sure it was from me. That would really help me understand where to focus my energy. So if I can get answers to those questions, that would help.

Justin Nordhorn: Yeah.

Danielle Rosellison: And, obviously, it is shared with the entire group.

Justin Nordhorn: Yeah, and quite frankly in looking at some of the questions, and I know Jeff was working on developing that for you. Not all of those pertain to evaluating these particular rule sets. So I understand that there are questions and background in those types of things. But as it relates to evaluation, I'm a little concerned that if we do put it all back out to the group that the scope of the workgroup will change. And so we really want to do the evaluation, and there may be other issues that we need to talk about at some point, but I think that is a risk of putting out answers to questions that don't have the direct connection to an evaluation of this rule set.

Danielle Rosellison: Could we just drive outside of scope?

Justin Nordhorn: [laugh] We could.

Danielle Rosellison: I mean, to me, that's part of the questions, too. I think that you have to take a comprehensive look to figure things out, and I think most of the lot of them have to do with these rule changes. Because when I read the purpose of the workgroup, it was these rule changes as well as anything else that may need to be identified or addressed, and I think all these questions kind of encapsulate all of that.

Justin Nordhorn: Okay.

Danielle Rosellison: But I don't want us to talk about some of them. I'm happy with out of scope.

Justin Nordhorn: No, it's not that we don't want to talk about them, I just don't know if it's effective to talk about them in this context if you will. But we will connect again with Jeff and work on some responses because looking through your questions, I think that there are a number of things that if clarification is needed, we should be providing that. So that's fine. We are out of time, so what we will do is circle back internally before we set up any further meetings. And if there is something that we can identify that would be helpful for the licensees to evaluate, we will put that out to the group. If not, at this point we are looking at some of the internal data monitoring issues that we need to strategize about. We will let you know what that is going to look like, so everybody is not just left wondering what is going on. And then we may end up needing to suspend some time in between the next meeting so we can have some awesome data to talk about.

I see no hands, so that's probably no final comments. So I'm going to go ahead and conclude today. So I thank everybody for attending, and we really appreciate the feedback and the thoughts that you have about this. So thank you very much.

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