



**Washington State  
Liquor and Cannabis Board**

**Date:** October 9, 2024

**To:** David Postman, Board Chair  
Ollie Garrett, Board Member  
Jim Vollendroff, Board Member

**From:** Daniel Jacobs, Policy and Rules Coordinator

**Copy:** Will Lukela, Agency Director  
Toni Hood, Agency Deputy Director  
Chandra Wax, Director of Enforcement and Education  
Becky Smith, Licensing Director  
Justin Nordhorn, Policy and External Affairs Director  
Cassidy West, Policy & Rules Manager

**Subject:** **Approval to file a pre-proposal statement of inquiry (CR 101) regarding Employee Stock Ownership Plans (ESOP).**

The Washington State Liquor and Cannabis Board (Board) is considering amending [WAC 314-55-035](#) and other sections of Title 314 WAC, as well as repealing or creating other sections of Title 314 WAC as necessary to allow the use of Employee Stock Ownership Plans (ESOP) in connection with cannabis licenses in response to a petition for rulemaking [accepted](#) in May 2024.

**Process**

The Policy and Rules Coordinator requests approval to file the pre-proposal statement of inquiry (CR 101) for the rule making described above. A CR 101 Memorandum was presented at the Board meeting on October 9, 2024 and is attached to this order.

If approved for filing, the **tentative timeline** for the rule making process is outlined below:

October 9, 2024	Board is asked to approve filing pre-proposal statement of inquiry (CR 101). CR 101 is filed with the Office of the Code Reviser. Webpage is updated and notice circulated by GovDelivery distribution list. Informal comment period begins.
November 6, 2024	Notice is published in the Washington State Register under WSR 24-21.
November 9, 2024	Informal comment period ends.

December 16, 2024, 1 – 3 PM	Virtual Public Stakeholder Engagement Sessions
December 19, 2024, 10 AM - Noon	
January 15, 2025	Board is asked to approve filing proposed rules (CR 102). CR 102 is filed with the Office of the Code Reviser. Webpage is updated and notice circulated by the rules distribution list. Formal comment period begins.
February 5, 2025	Notice is published in the Washington State Register under WSR 25-03.
February 26, 2025	Public hearing held and formal comment period ends.
March 12, 2025	Board is asked to adopt rules if no substantive changes are made (CR 103). Concise Explanatory Statement is provided to individuals offering written or oral comment at the public hearing or during the formal comment period, consistent with RCW 34.05.325. CR 103 and adopted rules are filed with the Office of the Code Reviser. Webpage is updated and notice circulated by GovDelivery distribution list.
April 2, 2025	Notice is published in the Washington State Register under WSR 25-05
April 12, 2025	Rules are effective 31 days after filing unless otherwise specified. See RCW 34.05.380(2).

Approve      Disapprove
   

  
 David Postman, Chair      10.9.2024
  
 Date

Approve      Disapprove
   

  
 Ollie Garrett, Board Member      10.9.2024
  
 Date

Approve      Disapprove
   

  
 Jim Vollendroff, Board Member      10.9.2024
  
 Date

Attachments: CR 101 Memorandum  
 May 22, 2024 Response to Petition for Rulemaking