



## Washington State Liquor and Cannabis Board

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**Topic:** Petition for Adoption, Amendment, or Repeal of a State Administrative Rule – Replacing CCRS.  
**Date:** November 20, 2024  
**Presented by:** Denise Laflamme, Policy & Rules Coordinator

### Background

On October 2, 2024, Peter Peterson (“Petitioner”) submitted a Petition for adoption, amendment or repeal of a state administrative rule requesting that LCB fix CCRS and create a system that works. The Petitioner is requesting that the LCB replace the existing Cannabis Central Reporting System (CCRS) with an improved reporting system.

#### *Rationale for Replacing CCRS*

The Petitioner asserts the current CCRS disrupts business transactions because it takes an excessive amount of time to get confirmations back. The following outlines the Petitioner’s rational for the requested change:

1. **Does not meet the needs of licensees:** Petitioner asserts that CCRS uses an outdated spreadsheet format that is unworkable for stakeholders.
2. **Disrupts business practices:** Petitioner reports it takes an excessive amount of time to confirm that required information is uploaded into CCRS.

The petitioner did not cite specific amendments to a WAC section and acknowledged in a follow-up email that nothing in WAC specifically references CCRS other than traceability as a whole.

#### *History of Traceability systems at LCB*

Three different systems have been used for traceability requirements since 2013. From 2013 until 2017, BioTrack THC was used. In 2017, BioTrack THC was replaced with Leaf Data System (MJ Freeway). After system deficiencies with the Leaf Data System were identified, LCB put in place CCRS as a stop-gap system to maintain data reporting while a more long-term system was identified.

Currently LCB is evaluating a long-term solution for traceability reporting under the agency’s Cannabis Traceability Project. The Cannabis Traceability Project is in Phase 1 that consists of a feasibility study of different aspects of how a new system would work as well as gathering stakeholder and community engagement. A traceability system could provide real-time updates whenever cannabis is moved or sold, as opposed to the current minimum weekly reporting under CCRS.

Dustin Brown, LCB Community Engagements Specialist with the Traceability Project, has provided information to the petitioner related to questions about the Traceability Project including current activities and next steps.

## *Current Rules*

As provided in [WAC 314-55-083](#)(4), licensees must track cannabis from seed to sale. Cannabis seedlings, clones, plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extracts, cannabis-infused products, samples, and cannabis waste must be traceable from production through processing and retailers. Traceability information must be entered into a system specified by the LCB and including inventory, transfer and destructions of plants and products and point-of-sale records.<sup>1</sup>

Chapter 314-55 WAC does not specify what system the LCB must use for traceability requirements.

## **Issue**

Whether the Board should accept or deny the petition for rulemaking to consider initiating formal rulemaking proceedings to amend WAC 314-55-083 or other rules to replace the existing CCRS system used to meet traceability requirements.

## **Analysis**

When making a recommendation to the Board regarding whether to accept or deny a petition for rulemaking, the Director's Office considers the following factors, as appropriate and to the extent practicable:

1. **Statutory Authority:** Whether the agency has the statutory authority to adopt the proposed rule.
2. **Statutory Obligation and Legislative Intent:** Whether the agency is statutorily obligated to consider or adopt the proposed rule, and determination of whether the proposed rule conflicts with legislative intent or statutory obligations.
3. **Consistency with Existing Laws and Rules:** Whether the proposed rule conflicts with or duplicates other state, federal, or local laws.
4. **Agency Priorities:** Alignment of the proposed rule with the agency's priorities and strategic goals; and whether the Petitioner's concerns are being addressed either through rulemaking or otherwise.
5. **Public interest:** Whether the proposed rule serves the public interest; consideration of the potential impact on public health, safety, and welfare; and level of interest in the proposed change.
6. **Merits of the Petitioner's Request:** Thorough review of the merits and supporting arguments provided by the Petitioner.
7. **Necessity and Reasonability:** Assessing whether the proposed rule addresses a clearly identified problem with sufficient evidence; and considerations of reasonable alternatives to ensure the rule is essential and practical.
8. **Risks and Unintended Consequences:** Evaluation of potential risks and unintended consequences associated with implementing the proposed rule; and consideration of possible negative outcomes or challenges that may arise from the proposed changes.

9. **Alternatives:** Whether there are less costly or less intrusive alternatives to address the Petitioner's concerns.
10. **Economic Impact:** Evaluation of the economic impact of the proposed rule on businesses, government entities, and the public; and assessment of whether the benefits of the proposed rule justify the costs.
11. **Equity Impact:** Evaluation of how the proposed rule affects equity, including impacts on historically marginalized and disadvantaged communities.
12. **Interagency and Intra-agency Coordination and Impacts:** Assessment of how the proposed rule affects other agencies and intra-agency resources and functions; and consideration of potential coordination or conflict with other agencies' rules and operations.
13. **Tribal Relations:** Evaluate the necessity for consultation with affected Tribal governments, respecting their sovereignty and unique status.
14. **Local Government Impact:** Assess the effect of the proposed rule on local governments, including cities, towns, or counties.

### *Rulemaking Process*

As provided in the Administrative Procedures Act (APA), chapter [34.05](#) RCW, if the Board accepts a petition for rulemaking, a CR-101 (Preproposal Statement of Inquiry) is filed to notify the public that the agency is considering rulemaking on the proposed topic. The CR-101 filing initiates the preliminary phase where the agency gathers information, conducts research, and seeks input from interested parties to assess whether rulemaking is needed and/or how a regulation should be modified to ensure the most favorable outcomes. If it is determined that rulemaking is necessary, the agency will draft the proposed rule and proceed to file a CR-102 (Proposed Rulemaking), formally beginning the rulemaking process which includes public hearings and a comment period before finalizing the rule with a CR-103 (Rule Adoption). Rules are typically effective 31 days after filing unless otherwise specified.

### *Appeals Process*

Under the [Administration Procedure Act \(APA\)](#), the Petitioner has the right to appeal the Board's decision to the Governor. Per [RCW 34.05.330\(3\)](#), within 30 days of a denial, the petitioner may appeal the denial to the governor. This can be done through a letter to the Governor.<sup>2</sup>

### **Statutory Authority**

[RCW 69.50.342](#) gives LCB authority to adopt rules regarding recording keeping and reporting to the LCB. The statute provides a broader legal framework for the control and regulation of cannabis but does not specify what information is required to be reported as part of tracking cannabis products and sales.<sup>1</sup> The specific reporting requirements

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<sup>1</sup> RCW [69.50.342](#) identifies the Board's authority to engage in rulemaking including, but not limited to, the books and records to be created and maintained by licensees, the reports to be made thereon to the board, and inspection of the books and records.

are set by rules ([WAC 314-55-083](#)) implemented by LCB under their statutory authority to regulate cannabis products. These rules are created under the authority granted by the statute but are not detailed in the RCW itself. Therefore, while the statutory law (RCW 69.50) provides the legal foundation for the regulation, the specific framework for what information is required for traceability is established through administrative rules.

*Traceability requirements.*

## **Statutory Obligation and Legislative Intent**

As part of the LCB’s statutory obligations under the Revised Code of Washington (RCW) 69.50, the LCB is mandated to regulate the production, distribution, and sale of cannabis to protect health and safety. The legislative intent behind these regulations emphasizes the need for strict control of cannabis products to prevent diversion into the unregulated marketplace.

## **Agency Priorities**

The LCB is currently evaluating a replacement for CCRS under the agency’s new Traceability Project that began in 2023. The goal of the Traceability Project is to identify and implement a cannabis tracking and reporting system to replace the existing CCRS. Phase 1 of the Traceability Project includes a survey of the cannabis industry in addition to other outreach activities for collecting information for a Feasibility Study. LCB has submitted a 2025-27 budget decision package for continued funding of Traceability Project staff to complete a feasibility study and to support community engagement work.

## **Consistency with Existing Laws and Rules**

Any system replacing CCRS will need to comply with existing laws and rules related to traceability requirements under RCW 69.50 and chapter 314-55 WAC.

## **Public Interest**

LCB is currently collecting input from the cannabis industry and stakeholders as part of the Cannabis Traceability Project Survey (Phase 1 – 2024).<sup>3</sup> This online survey opened on July 15, 2024, and runs through December 31, 2024. Survey participants can provide input on their current processes and use of the existing CCRS system as well identify what functionality and preferences they want in a new traceability system.<sup>4</sup>

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RCW [69.50.345](#) identifies the Board’s authority to engage in rulemaking including establishing classes of cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products according to grade, condition, cannabinoid profile, THC concentration, CBD concentration, or other qualitative measurements deemed appropriate by the board.

## **Potential Benefits**

Improving the LCB cannabis traceability system could have several benefits for licensees and stakeholders including streamlining data reporting, improved data accessibility of real time data for quality control and other activities, and reduced time needed for data to be uploaded.

Improving the LCB cannabis traceability system could have several benefits for LCB staff and programs including improving accessibility to data for informing policy and responding to legislative requests, and allowing real time access to data to address sales, licensing, and enforcement activities.

## **Risks and Unintended Consequences**

The transition to a new system may disrupt reporting for some period of time as licensees and other reporters adapt to changes. Training will be needed for licensees and other reporters on any new system.

## **Necessity and Reasonableness**

Based on ongoing reports from the industry about the shortcomings of using the current CCRS, the LCB initiated the Traceability Project with the goal of gathering input from stakeholders and collecting other information needed to explore options for replacing CCRS.

**Economic Impact** – Will be evaluated during later phases as part of the Traceability Project.

**Equity Impacts** - Will be evaluated during later phases as part of the Traceability Project.

### **Intra-agency Impacts**

Licensing and Regulation Division: Impacts will be evaluated during later phases as part of the Traceability Project.

Enforcement & Education Division: Impacts will be evaluated during later phases as part of the Traceability Project.

Finance Division: Impacts will be evaluated during later phases as part of the Traceability Project.

IT Division: Impacts to IT will be evaluated in later phases of the Traceability Project.

### **Interagency Impacts**

The LCB Traceability Project is soliciting input from other agencies, including the Washington State Department of Health and the Washington State Department of Agriculture, during the Phase 1 Feasibility Study.

**Tribal Relations**

The LCB Traceability Project is soliciting input from Tribes during the Phase 1 Feasibility Study.

**Local Government Relations**

Impacts will be evaluated during later phases as part of the Traceability Project.

**Conclusion**

Rulemaking is not required for LCB to replace CCRS because existing rules, including WAC 314-55-083, do not specify what system LCB needs to use for collecting and managing cannabis traceability information. Considering that LCB is currently exploring the feasibility and options for replacing CCRS as part of the agency’s ongoing Traceability Project, the petitioner’s request is already being addressed.

**Recommendation**

Based on the reasons described above, the Director’s Office staff recommend that consistent with [RCW 34.05.330\(1\)\(a\)](#), the Board deny the petition for adoption, repeal or amendment of rules related to replacing CCRS system.

**Board Action**

After considering the recommendation of Director’s Office staff, the Board accepts/denies the petition for rulemaking submitted by Peter Peterson on October 2, 2024.

<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Deny		<u>11.20.2024</u>
	David Postman, Chair	Date
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Deny		<u>11.20.2024</u>
	Ollie Garrett, Board Member	Date
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Deny		<u>11.20.2024</u>
	Jim Vollendroff, Board Member	Date

**Attachments:**

1. Petition form and related emails from Petitioner
2. Traceability Project Industry Survey (July – Dec. 2024)

**WAC 314-55-083 Security and traceability requirements for cannabis licensees.** The security requirements for a cannabis licensee are as follows:

(1) **Display of identification badge.** All licensees and employees on the licensed premises shall be required to hold and properly display an identification badge issued by the licensed employer at all times while on the licensed premises and engaged in the transportation of cannabis. The identification badge must list the licensee's trade name and include the person's full and legal name and photograph. All licensees and employees must have their state issued identification available to verify the information on their badge is correct.

(a) All nonemployee visitors to the licensed premises, other than retail store customers, shall be required to hold and properly display an identification badge issued by the licensee at all times while on the licensed premises.

(b) A log must be kept and maintained showing the full name of each visitor entering the licensed premises, badge number issued, the time of arrival, time of departure, and the purpose of the visit.

(c) All log records must be maintained on the licensed premises for a period of three years and are subject to inspection by any LCB employee or law enforcement officer, and must be copied and provided to the LCB or law enforcement officer upon request.

(d) Employees, visitors, and other persons at a cannabis licensed premises, including persons engaged in the transportation of cannabis, must provide identification to an LCB enforcement officer upon request.

(2) **Alarm systems.** At a minimum, each licensed premises must have a security alarm system on all perimeter entry points and perimeter windows. Motion detectors, pressure switches, duress, panic, and hold-up alarms may also be used.

(3) **Surveillance system.** At a minimum, a licensed premises must have a complete video surveillance system with minimum camera resolution of 640 x 470 pixels or pixel equivalent for analog. The surveillance system storage device and/or the cameras must be internet protocol (IP) compatible. All cameras must be fixed and placement must allow for the clear and certain identification of any person and activities in controlled areas of the licensed premises. All entrances and exits to an indoor facility must be recorded from both indoor and outdoor, or ingress and egress vantage points. All cameras must record continuously 24 hours per day and at a minimum of 10 frames per second. The surveillance system storage device must be secured on the licensed premises in a lockbox, cabinet, closet, or secured in another manner to protect from employee tampering or criminal theft. All surveillance recordings must be kept for a minimum of 45 days on the licensee's recording device. All videos are subject to inspection by any LCB employee or law enforcement officer, and must be copied and provided to the LCB or law enforcement officer upon request. All recorded images must clearly and accurately display the time and date. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards. Controlled areas include:

(a) Any area within an indoor, greenhouse or outdoor room or area where cannabis is grown, or cannabis or cannabis waste is being moved within, processed, stored, or destroyed. Rooms or areas where cannabis or cannabis waste is never present are not considered control areas and do not require camera coverage.

(b) All point-of-sale (POS) areas.



(c) Twenty feet of the exterior of the perimeter of all required fencing and gates enclosing an outdoor grow operation. Any gate or other entry point that is part of the required enclosure for an outdoor growing operation must be lighted in low-light conditions. A motion detection lighting system may be employed to light the gate area in low-light conditions.

(d) Any room or area storing a surveillance system storage device.

(4) **Traceability:** To prevent diversion and to promote public safety, cannabis licensees must track cannabis from seed to sale. Licensees must provide the required information on a system specified by the LCB. All costs related to the reporting requirements are borne by the licensee. Cannabis seedlings, clones, plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extracts, cannabis-infused products, samples, and cannabis waste must be traceable from production through processing, and finally into the retail environment including being able to identify which lot was used as base material to create each batch of extracts or infused products. The following information is required and must be kept completely up-to-date in a system specified by the LCB:

(a) Key notification of "events," such as when a plant enters the system (moved from the seedling or clone area to the vegetation production area at a young age);

(b) When plants are to be partially or fully harvested or destroyed;

(c) When a lot or batch of cannabis, cannabis extract, cannabis concentrates, cannabis-infused product, or cannabis waste is to be destroyed;

(d) When useable cannabis, cannabis concentrates, or cannabis-infused products are transported;

(e) Any theft of useable cannabis, cannabis seedlings, clones, plants, trim or other plant material, extract, infused product, seed, plant tissue or other item containing cannabis;

(f) All cannabis plants eight or more inches in height or width must be physically tagged and tracked individually;

(g) A complete inventory of all cannabis, seeds, plant tissue, seedlings, clones, all plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extract, cannabis concentrates, cannabis-infused products, and cannabis waste;

(h) All cannabis, useable cannabis, cannabis-infused products, cannabis concentrates, seeds, plant tissue, clone lots, and cannabis waste must be physically tagged with the unique identifier generated by the traceability system and tracked;

(i) All point-of-sale records;

(j) Cannabis excise tax records, including records required for medical cannabis patient excise tax exemptions in WAC 314-55-090;

(k) All samples sent to an independent testing lab, any sample of unused portion of a sample returned to a licensee, and the quality assurance test results;

(l) All vendor samples provided to another licensee for purposes of education or negotiating a sale;

(m) All samples used for testing for quality by the producer or processor;

(n) Samples containing useable cannabis provided to retailers;

(o) Samples provided to the LCB or their designee for quality assurance compliance checks;

and  
(p) Other information specified by the board.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-083, filed 9/11/24, effective 10/12/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-083, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-083, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-083, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-083, filed 5/20/15, effective 6/20/15; WSR 14-07-116, § 314-55-083, filed 3/19/14, effective 4/19/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-083, filed 10/21/13, effective 11/21/13.]


<sup>1</sup> WAC 314-55-083 (4) Traceability required information:

- (a) Key notification of "events," such as when a plant enters the system (moved from the seedling or clone area to the vegetation production area at a young age);
- (b) When plants are to be partially or fully harvested or destroyed;
- (c) When a lot or batch of cannabis, cannabis extract, cannabis concentrates, cannabis-infused product, or cannabis waste is to be destroyed;
- (d) When useable cannabis, cannabis concentrates, or cannabis-infused products are transported;
- (e) Any theft of useable cannabis, cannabis seedlings, clones, plants, trim or other plant material, extract, infused product, seed, plant tissue or other item containing cannabis;
- (f) All cannabis plants eight or more inches in height or width must be physically tagged and tracked individually;
- (g) A complete inventory of all cannabis, seeds, plant tissue, seedlings, clones, all plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extract, cannabis concentrates, cannabis-infused products, and cannabis waste;
- (h) All cannabis, useable cannabis, cannabis-infused products, cannabis concentrates, seeds, plant tissue, clone lots, and cannabis waste must be physically tagged with the unique identifier generated by the traceability system and tracked;
- (i) All point-of-sale records;
- (j) Cannabis excise tax records, including records required for medical cannabis patient excise tax exemptions in WAC [314-55-090](#);
- (k) All samples sent to an independent testing lab, any sample of unused portion of a sample returned to a licensee, and the quality assurance test results;
- (l) All vendor samples provided to another licensee for purposes of education or negotiating a sale;
- (m) All samples used for testing for quality by the producer or processor;
- (n) Samples containing useable cannabis provided to retailers;
- (o) Samples provided to the LCB or their designee for quality assurance compliance checks; and
- (p) Other information specified by the board.

<sup>2</sup> <https://governor.wa.gov/contacting-governor/contacting-governors-office/contact-gov-inslee>

<sup>3</sup> LCB GovDelivery Oct. 14, 2024. You're invited: cannabis traceability (Phase 1- 2024) Project Survey. Available at: <https://lcb.wa.gov/examiners>

<sup>4</sup> Medium.com. Share your thoughts: engaging with the Cannabis Traceability Project. Available at: <https://medium.com/wslcb-topics-and-trends/share-your-thoughts-engaging-with-the-cannabis-traceability-project-30a77bc8e645>



**Washington State  
Liquor and Cannabis Board**

### Your Voice Matters in the New Cannabis Traceability Project!

**Help Shape the Future of Cannabis in Washington State!**

We're inviting all cannabis industry members to take a brief, 15-minute survey to share your insights and experiences.


You can help the LCB improve cannabis traceability systems and ensure a secure, efficient, and transparent industry.

**Why Take the Survey?**

- Influence key decisions affecting the cannabis industry.
- Be part of the conversation that will guide future regulations.

**How to Participate:**  
Scan the QR code with your phone to start the survey.

To learn more about the New Cannabis Traceability Project, view our cannabis industry newsletter at: [medium.com/wslcb-topics-and-trends/cannabis/home](https://medium.com/wslcb-topics-and-trends/cannabis/home) or contact us at [dustin.brown@lcb.wa.gov](mailto:dustin.brown@lcb.wa.gov) or 360-974-9355.



**From:** [Peter Peterson](#)  
**To:** [LCB DL Rules](#)  
**Subject:** Petition  
**Date:** Wednesday, October 2, 2024 1:05:12 PM  
**Attachments:** [petition 9-24.pdf](#)

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External Email

To whom it may concern,

As a result of our continued struggles with CCRS delays we have decided to file a petition to fix this broken, slow, barely functioning, unworkable system.

I am happy to provide suggestions at your request!

Regards,

--

Peter Peterson  
Director  
Good Earth Cannabis  
[peter@goodearthcannabis.com](mailto:peter@goodearthcannabis.com)  
(509) 768-0293





PETITION FOR ADOPTION, AMENDMENT, OR REPEAL OF A STATE ADMINISTRATIVE RULE

Print Form

In accordance with RCW 34.05.330, the Office of Financial Management (OFM) created this form for individuals or groups who wish to petition a state agency or institution of higher education to adopt, amend, or repeal an administrative rule. You may use this form to submit your request. You also may contact agencies using other formats, such as a letter or email.

The agency or institution will give full consideration to your petition and will respond to you within 60 days of receiving your petition. For more information on the rule petition process, see Chapter 82-05 of the Washington Administrative Code (WAC) at http://apps.leg.wa.gov/wac/default.aspx?cite=82-05.

CONTACT INFORMATION (please type or print)

Petitioner's Name Peter Peterson
Name of Organization Inland Empire Growing
Mailing Address 13026 w mcfarlane rd, D3-2
City Airway Heights State WA Zip Code 99001
Telephone 509-768-0293 Email peter@inlandempiregrowing.com

COMPLETING AND SENDING PETITION FORM

- Check all of the boxes that apply.
Provide relevant examples.
Include suggested language for a rule, if possible.
Attach additional pages, if needed.
Send your petition to the agency with authority to adopt or administer the rule. Here is a list of agencies and their rules coordinators: http://www.leg.wa.gov/CodeReviser/Documents/RClist.htm.

INFORMATION ON RULE PETITION

Agency responsible for adopting or administering the rule:

1. NEW RULE - I am requesting the agency to adopt a new rule.

- The subject (or purpose) of this rule is:
The rule is needed because:
The new rule would affect the following people or groups:

2. AMEND RULE - I am requesting the agency to change an existing rule.

List rule number (WAC), if known: CCRS
Create a CR that works and is not spreadsheets(50yr old technology, think VHS for movies)
I am requesting the following change:
This change is needed because: The current system prevents people from making sales because it takes hours and hours to even get the paperwork to send orders out. Simply put, the system
The effect of this rule change will be: License holders will be able to conduct business like their counterparts in liquor(the more deadly of the substances)
The rule is not clearly or simply stated:

3. REPEAL RULE - I am requesting the agency to eliminate an existing rule.

List rule number (WAC), if known:



**From:** [Jacobs, Daniel \(LCB\)](#)  
**To:** [Peter Peterson](#)  
**Cc:** [LCB DL Rules](#)  
**Subject:** RE: Petition  
**Date:** Wednesday, October 2, 2024 1:29:12 PM

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Dear Peter Peterson:

Thank you for your petition to adopt, amend, or repeal state administrative rules. We received your petition today, October 2, 2024.

State laws and rules (RCW [34.05.330](#) and WAC [82-05-040](#)) give the Board 60 days after receiving a rulemaking petition to either:

- a. deny the petition in writing, stating (i) its reasons for the denial, specifically addressing the concerns raised by the petitioner, and, where appropriate, (ii) the alternative means by which it will address the concerns raised by the petitioner, or
- b. initiate rulemaking proceedings in accordance with RCW [34.05.320](#).

The Board will have until December 1, 2024, to take action as shown above.

Please contact the Policy & Rules team at [rules@lcb.wa.gov](mailto:rules@lcb.wa.gov) if you have any questions or concerns.

Sincerely,

Daniel Jacobs, Esq. *(he/him/his)*  
Rules & Policy Coordinator  
Washington State Liquor and Cannabis Board  
[Daniel.jacobs@lcb.wa.gov](mailto:Daniel.jacobs@lcb.wa.gov)  
Mobile: (360) 480-1238



## Washington State Liquor and Cannabis Board

**DISCLAIMER:** The information provided above does not, and is not intended to, constitute legal advice; instead, all information, content, and materials included are done so in the scope of my employment as Policy & Rules Coordinator with the Washington State Liquor & Cannabis Board (LCB).

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**From:** Peter Peterson <peter@inlandempiregrowing.com>  
**Sent:** Wednesday, October 2, 2024 1:26 PM  
**To:** Jacobs, Daniel (LCB) <daniel.jacobs@lcb.wa.gov>  
**Subject:** Re: Petition

## External Email

Daniel,

There is nothing in the WAC that specifically speaks to CCRS other than traceability as a whole. I am merely stating the system does not work for the stakeholders. We cannot wait hours and hours to get confirmations back. Billions of transactions occur everyday in milliseconds on stock exchanges and through credit card companies. There are a few thousand a day on CCRS. It should be instantaneous.

An analogy would be if every transaction from your bank took 4 hours to complete. It would make everyday life unworkable. How about waiting 4 hours for a coffee you ordered? How about waiting 4 hours at the bank for your check to clear? We are forced to be out of compliance if an order goes out or print 17,000 contingency manifests, etc, etc. This system is broken. Simply put, the system is broken.

Regards,  
Peter Peterson

On Wed, Oct 2, 2024 at 1:13 PM Jacobs, Daniel (LCB) <[daniel.jacobs@lcb.wa.gov](mailto:daniel.jacobs@lcb.wa.gov)> wrote:

Mr. Peterson:

Thanks for submitting a petition for rulemaking. In order to confirm official receipt of the petition, I just have two quick questions for clarification:

1. The submission form does this sometimes, but on the second page, in the box “the change is needed because”, the text you typed in was cut off after: “Simply put, the system [...]”. Would you be able to send us the rest of the text from that box so we can have it for our records?
2. A specific WAC section regarding CCRS is not identified. For reference, the WAC that is the most relevant to traceability is WAC 314-55-083. While it isn’t necessary, it does help us if you identify the specific WAC you are proposing to amend.

Please feel free to follow up with any questions or concerns, and we can confirm receipt of your petition for rulemaking.

Sincerely,

Daniel Jacobs, Esq.

*(he/him/his)*

Rules & Policy Coordinator  
Washington State Liquor and Cannabis Board  
[Daniel.jacobs@lcb.wa.gov](mailto:Daniel.jacobs@lcb.wa.gov)  
Mobile: (360) 480-1238



## Washington State Liquor and Cannabis Board

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**Sent:** Wednesday, October 2, 2024 1:00 PM  
**To:** LCB DL Rules <[rules@lcb.wa.gov](mailto:rules@lcb.wa.gov)>  
**Subject:** Petition

External Email

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(509) 768-0293

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Peter Peterson

Director

Good Earth Cannabis

[peter@godearthcannabis.com](mailto:peter@godearthcannabis.com)

(509) 768-0293

# Traceability Project Industry survey

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## Start of Block: Intro

Intro Hello! The Washington State Liquor and Cannabis Board (LCB) wants to hear your feedback on the current cannabis reporting system (CCRS) and upcoming traceability project.

The LCB is gathering information for a feasibility study to determine the long-term cannabis activity tracking and reporting system solution. Your input today could help guide the path for the future of the Washington cannabis industry.

Note: Your participation is voluntary. Your responses are anonymous. **This survey should take less than 15 minutes to complete.**

**By proceeding, you are giving your consent to participate and are acknowledging this is an anonymous and voluntary survey.**

## End of Block: Intro

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## Start of Block: Tribal

Tribal Y/N Is your cannabis license associated with a tribal nation?

Yes

No

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*Display This Question:*

*If Is your cannabis license associated with a tribal nation? = Yes*

Tribal licenses Which of the following license types do you have? Select all that apply.

- Producer
- Processor
- Retailer
- Testing Laboratory
- Transporter

End of Block: Tribal

---

Start of Block: Producer Questions

Grown last year Have you grown cannabis plants in the past year?

- Yes
  - Yes, but not currently
  - No
  - No, but will in the future
-

Propagation material What propagation material do you start with? Select all that apply.

- Seed
  - Tissue Sample
  - Clone
  - Immature Plant
  - Auto-flower
  - Other: \_\_\_\_\_
- 

Track growth cycle During the growth cycle of the plants, how important are each of the following for you to track?

	Not at all important	Slightly important	Moderately important
Humidity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Water usage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Plant height	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

---

Canopy producer tier What canopy producer license tier category does your license belong to?

- Tier 1 (less than 4,000 sq ft)
  - Tier 2 (4,000 to 10,000 sq ft)
  - Tier 3 (10,000 to 30,000 sq ft)
- 

Canopy use/year In the past year, on average, what percent of your canopy space did you use?

0 10 20 30 40 50 60 70 80 90 100



Harvest Material How important is it to track the following material collected from a harvest in your inventory system?

	Not at all important	Slightly important	Moderately important
Wet flower	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flower lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wet weight of the plant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Weight of the waste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dry weight of the harvested flower	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Drying period of the plant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Curing period of the plant	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

---

Harvest Mat addition Are there any other data points you track that are not listed here?

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End of Block: Producer Questions

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Start of Block: Processor Questions

Extract terpenes Do you extract terpenes for use or sale?

- Yes, to use
- Yes, to sell
- Yes, to use and sell
- Yes, but not selling or using currently
- No

Add terpenes Do you add terpenes to your product for flavoring?

- No
- Yes
- Not sure

*Display This Question:*

*If Do you add terpenes to your product for flavoring? = Yes*

Add terpenes % What percentage of your products do you flavor with added terpenes?

0 10 20 30 40 50 60 70 80 90 100

1



*Display This Question:*

*If Do you add terpenes to your product for flavoring? = Yes*

Terpenes Types What types of terpenes do you use in your products? Select all that apply.

- Cannabis-derived terpenes
- Non-cannabis botanical terpenes
- Not sure
- Other: \_\_\_\_\_

---

*Display This Question:*

*If Do you add terpenes to your product for flavoring? = Yes*

Products + terpenes What types of products do you flavor with terpenes? Select all that apply.

- Concentrates
- Edibles
- Tinctures
- Topicals
- Pre-rolls
- Flower
- Other: \_\_\_\_\_
- I do not flavor any products with terpenes

---

*Display This Question:*

*If Do you add terpenes to your product for flavoring? = Yes*



Terpenes sourcing Where do you source your terpenes? Select all that apply.

- Synthesize them from cannabis (in-house)
- Purchase from other cannabis processors
- Purchase from other companies (not cannabis processors)
- Other: \_\_\_\_\_

Intermediate product The following list describes the intermediate product types listed on CCRS. How important is it for you to track the following intermediate product types in *your own inventory system*?

	Not at all important	Slightly important	Moderately important
Cannabis Mix	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
CBD	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Food Grade Solvent Concentrate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Infused Cooking Medium	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Terpenes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Waste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

CCRS describing How well do the current product types listed in CCRS accurately describe the products you are trying to sell?

- Excellent
- Good
- Average
- Poor

End of Block: Processor Questions

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Start of Block: Retailer Questions

Cannabis products \$ Please select which of the following cannabis products your retail location(s) currently sell:

- Cannabis Mix Infused
- Cannabis Mix Packaged
- Usable Cannabis (Flower)
- Concentrate for Inhalation
- CO2 Concentrate
- Ethanol Concentrate
- Hydrocarbon Concentrate
- Non-Solvent Concentrate
- Liquid Edible
- Sample Jar
- Solid Edible
- Suppository
- Tincture
- Topical Ointment
- Transdermal
- Waste
- Other: \_\_\_\_\_

---

COA ease How important is easy access to a Certificate of Analysis (COA) with testing results for the products you sell?

	Not at all important	Slightly important	Moderately important
Ease of access to COA	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

End of Block: Retailer Questions

---

Start of Block: Testing Laboratory

CCRS upload Do you upload data to CCRS?

- Yes
  - No
  - Not sure
- 

HeavyMetal required Do you believe heavy metals testing should be required for all cannabis products?

- Yes
  - No
  - Not sure
- 

HeavyMetal tested Is your lab currently capable of testing cannabis products for heavy metals?

- Yes
- No
- Not sure

---

*Display This Question:*

*If Is your lab currently capable of testing cannabis products for heavy metals? = No*

HeavyMetal adding Is your lab planning to add the capability to test cannabis products for heavy metals in the next year?

- Yes
- No
- Not sure

End of Block: Testing Laboratory

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Start of Block: Transporter Questions

Manifest prior How often do you receive a manifest prior to pick up?

- Always
  - Most of the time
  - Sometimes
  - Rarely
  - Never
-

Manifest incorrect How often is the manifest incorrect upon arrival?

- Always
- Most of the time
- Sometimes
- Rarely
- Never

End of Block: Transporter Questions

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Start of Block: License Type

*Display This Question:*

*If Is your cannabis license associated with a tribal nation? = No*

General license type What is your license type?

- Producer Only
- Processor Only
- Producer and Processor
- Retailer
- Testing Laboratory
- Transporter

End of Block: License Type

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Start of Block: General Questions

Traceability LCB is assessing the need to transition from the current reporting system (CCRS) to a traceability system. The key difference is that a traceability system could provide real-time updates whenever cannabis is moved or sold, as opposed to the current minimum weekly reporting.

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CCRS satisfaction Do you feel like the current reporting system (CCRS) meets your needs?

	Not effective at all	Moderately effective	Very effective
CCRS effectiveness for meeting your needs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

CCRS Topics Which of the following topic within CCRS is meeting your needs?

	Agree	Neither agree nor disagree	Disagree
Do you have concerns and/or challenges with current system?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Would like to see a new system that has different features or changes?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Does your segment of the industry need additional features not offered currently?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are there key data points that are missed with current system?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Interface features Which user interface features do you consider essential for any reporting and traceability system? Select all that apply.

- Real time data
- User interface for licensees
- Mobile functionality
- API functionality (system interconnectivity)
- Unique identification numbers for all cannabis products
- Ease of navigation
- Custom alerts for specific data
- Long-term functionality
- Other: \_\_\_\_\_

Real time tracking How important is it to have real-time tracking on each cannabis product?

	Not at all important	Slightly important	Moderately important
Real-time tracking importance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Traceability resource Please rate how helpful each of the following resources would be for understanding traceability requirements.

	Not helpful	Somewhat helpful	Moderately helpful	Very helpful
Video walkthroughs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
More languages offered for resources	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Non-technical guides	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ability to live chat with technical expert	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stakeholder engagement sessions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

---

Integrator service Do you currently use an integrator service?

- Yes
  - No
  - Not sure
-

Integrator reuirment Does your integrator service provider offer all the functional requirements your business needs/wants?

- Yes
- Maybe
- No

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Integrator improve What functional requirements could your integrator offer that would improve your business?

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Anything to add Would you like to voice concerns to any of the questions within this survey? Would you like to add anything not covered within this survey?

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End of Block: General Questions

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Start of Block: Closing

County/counties What county/counties does your business(es) operate in?

- Adams County, WA
- Asotin County, WA
- Benton County, WA
- Chelan County, WA
- Clallam County, WA
- Clark County, WA
- Columbia County, WA
- Cowlitz County, WA
- Douglas County, WA
- Ferry County, WA
- Franklin County, WA
- Garfield County, WA
- Grant County, WA
- Grays Harbor County, WA
- Island County, WA
- Jefferson County, WA
- King County, WA
- Kitsap County, WA

- Kittitas County, WA
- Klickitat County, WA
- Lewis County, WA
- Lincoln County, WA
- Mason County, WA
- Okanogan County, WA
- Pacific County, WA
- Pend Oreille County, WA
- Pierce County, WA
- San Juan County, WA
- Skagit County, WA
- Skamania County, WA
- Snohomish County, WA
- Spokane County, WA
- Stevens County, WA
- Thurston County, WA
- Wahkiakum County, WA
- Walla Walla County, WA

Whatcom County, WA

Whitman County, WA

Yakima County, WA

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Page Break

Work position What is your position within the business?

- Owner/Licensee
  - Manager
  - Employee
  - Other \_\_\_\_\_
- 

Full time employees How many full time employees are there within the business?

▼ 0 ... More than 50

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Part time employees How many part time employees are there within the business?

▼ 0 ... More than 50

---

Race(s) Please indicate the race(s) you most closely identify with. Select all that apply.

- White
  - Black or African American
  - Hispanic or Latinx
  - American Indian or Alaska Native
  - Asian
  - Native Hawaiian or Pacific Islander
  - Other: \_\_\_\_\_
  - Prefer not to say
- 

Gender What gender do you identify with?

- Male
- Female
- Gender Non-binary
- Other: \_\_\_\_\_
- Prefer not to say

**End of Block: Closing**

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