



Washington State Liquor and Cannabis Board

Topic: Petition for Adoption, Amendment, or Repeal of a State Administrative Rule – (WAC 314-55-570 – Social Equity in Cannabis Program)
Date: August 14, 2024
Presented by: Daniel Jacobs, Policy & Rules Coordinator

Background

In June 2024, three separate petitions for adoption, amendment, or repeal of a state administrative rule were submitted to the LCB requesting the board consider rulemaking to modify the social equity license mobility requirements in [WAC 314-55-570](#) to allow social equity licensees, who applied under Engrossed Second Substitute House Bill (E2SHB) 2870 ([chapter 236, Laws of 2020](#)), the same flexibility to locate their social equity retail license as social equity retail cannabis licenses to be issued under Engrossed Second Substitute Senate Bill (E2SSB) 5080 ([chapter 220, Laws of 2023](#)). The Petitioners' requests are attached.

E2SSB 5080 amended RCW 69.50.335 to allow social equity applicant to locate their license in any city or town, or county that allows cannabis retail, cannabis production, or cannabis processing business activities, as applicable, at the proposed location, in the state of Washington. See [RCW 69.50.335\(1\)\(e\)\(i\)](#). Under the current rule requested to be amended, the license mobility requirements are more limited and reflect the requirements that were in place prior to the passage of passage of E2SSB 5080. Licenses issued under the previous legislation must locate the licensed business in the county where it was originally allocated and cannot relocate outside of that county. Due to local zoning restrictions and bans that are in some of these counties, current license holders have had a difficult time securing a location for the retail outlet, and subsequently unable to open their retail outlet.

On June 17th, 2024, Michael Carter submitted a petition requesting repeal or amendment of WAC 314-55-570(4)(d) to allow social equity license applicants to move their licensed locations. Later that day, Brian Chan submitted a petition with an accompanying letter using almost identical wording, seemingly from a template document. On June 18th, 2024, Juan Galvan submitted a petition with the same template wording.

Also on June 18th, 2024, the Board voted to accept three petitions submitted making the same request.

Issue

Whether the Board should accept these three petitions for rulemaking when identical petitions for rulemaking asking for the exact same rule language changes were voted for acceptance by the Board on June 18, 2024.

Relevant Laws and Rules – can be found in the petition response dated June 18, 2024.

Analysis

While many factors would typically be analyzed in deciding whether to accept a petition for rulemaking, here, the Board voted to accept a triplicate of petitions for rulemaking asking for the exact same rule language change as being asked herein.

Conclusion

The Board having already accepted a trio of rulemaking petitions asking for the exact same change, and rulemaking on rule to implement E2SSB 5080 already underway, there is no need or value added by accepting these additional petitions.

Recommendation

For the reasons described above, Director’s Office staff recommend that consistent with RCW 34.05.330(1)(b), the Board deny the petitions for adoption, repeal or amendment of rules submitted on June 17-18, 2024.

Board Action

After considering the information provided by the Director’s Office staff, the Board accepts/denies the petitions for rulemaking received on June 17-18, 2024.

_____ Accept Deny



David Postman, Chair

8.14.2024
Date

_____ Accept Deny



Ollie Garrett, Board Member

8.14.2024
Date

_____ Accept Deny



Jim Vollendroff, Board Member

8.14.2024
Date

Attachments:

1. Petition Emails and Forms.
2. June 18, 2024 Response to Petition for Rulemaking