



August 12, 2022

Councilmember Teresa Mosqueda, Chair  
Councilmember Lisa Herbold, Vice-Chair  
Councilmember Alex Pedersen  
Councilmember Sara Nelson  
Councilmember Andrew J. Lewis

Chair Mosqueda, Committee Members and Staff,

Thank you for the opportunity to provide comments and suggested amendments to cannabis proposals (CB 120391, CB 120392, and CB 120393) brought forward by Mayor Harrell. The Washington CannaBusiness Association (WACA) represents licensed retailers, processors, producers, labs, researchers, and transport companies at the local, state, and national level. All cannabis businesses in Washington are by definition small businesses. WACA's members vary in size and include the smallest tier (Tier 1) of cannabis producers. The association determines policy positions through a democratic process that gives all members, regardless of size, the same vote.

Often, public policy discussions pit stakeholders against one another, e.g. "business versus labor" or "environmentalists versus developers," but our hope is that in its nascency, the cannabis industry can be viewed without preconceived notions. Bias against cannabis, ongoing devastation from the War on Drugs, and a steep learning curve for policymakers creates hurdles that put many out of business and prevent others from getting started. It is particularly important to understand that there are businesses that are thriving in the cannabis industry, but there are more who fight every day to make payroll. We have witnessed these struggles firsthand. Many of WACA's founding members are no longer in business.

In this letter, we offer technical enhancements to proposals put forward by Mayor Harrell's office. We recognize the dedicated effort to strengthen earlier proposals by including input from the industry, among others. For over two years we have also listened and learned from individuals deeply engaged with the Social Equity Task Force at the state level, and we urge your ongoing vigilance to what community stakeholders express about Seattle's policy effort. On behalf of WACA, the concerns below are offered in the spirit of fine-tuning what has been put forward.

- Balanced Representation: CB 120391 describes a special advisory committee composed of workers, community members and industry members, but is not specific about how many representatives from each group would be included. We ask that the legislation be amended to clearly define how many representatives will be on the advisory committee and that the representation from the three groups be evenly distributed in thirds.
  - Neutral third party: There has been an amendment proposed to CB 120391 requiring the Needs Assessment to be conducted by a non-profit such as *We Train Washington*. We understand We Train Washington has been offered as an example.

But We Train Washington has a clear affiliation with UFCW and as such, we don't believe it is an appropriate representation of the organization engaged for this work. We oppose the amendment as written and ask that the Needs Assessment be conducted by a neutral third party.

- Cannabis Industry Awareness: CB 120393 is modeled after an ordinance that passed for hotel workers. While we understand the intention, there are considerations for cannabis that are not yet reflected in the legislation. For example, a cannabis processor can make a number of different products, everything from candy to vape cartridges. If a processor that makes edibles sells their license to someone that would like to make vape products the necessary staffing expertise is entirely distinct. The same is true for retail cannabis. Some stores sell medically compliant products to patients, and they need budtenders that have medical training, other stores focus on selling non-medical products and have more flexibility. Please consider the wide spectrum of individuals with specific talents working in the industry – over 1,200 in Seattle alone. Regulation that impacts hiring must respect the individual who is needed and qualified for a job, and not a one-size-fits-all approach.
- Enforcement: Finally in CB 120393 we have concerns with the enforcement provisions, specifically the private right of action in section 230. These new regulations add complexity on top of other regulations cannabis licensees follow – from the LCB to the Department of Agriculture to the Department of Health. Multiple layers of rules must be navigated to be fully compliant and exist adjacent to federal prohibition, which poses additional challenges. To their credit, cannabis licensees consistently have the highest compliance rates for the industries regulated by the LCB. Given the robust nature of regulation and rules already applied, we ask that enforcement authority under the new chapter stay with the agency. As section 230 is currently drafted, only the party bringing forward the complaint against the employer would be awarded attorneys' fees upon prevailing. This means that if a civil or class action is brought against an employer and the employer prevails, they would still be on the hook for their attorney's fees. At the very least we ask that the language be amended so that the prevailing party would be awarded attorneys' fees.

Collaboration is critical in the ability of business and our citizenry to coexist. In regulated cannabis specifically, fine-tuning policy requires understanding of the industry itself, which simultaneously bears the weight of societal celebration *and* condemnation. If the City is determined to develop policy that guides personnel decisions, there is no question it must understand the personnel needs of the industry it is attempting to direct. Mayor Harrell proved he is willing to collaborate, and we're relieved the input of license-holders is being considered thoughtfully. WACA stands ready to work together to further hone policy governing the industry in Seattle, to ensure positive outcomes for our communities, cannabis professionals, license-holders, and the industry at large.

Respectfully submitted,  
Brooke Davies  
WACA Deputy Director