# CERTIFICATION OF ENROLLMENT

# HOUSE BILL 2474

Chapter 43, Laws of 2018

65th Legislature 2018 Regular Session

MARIJUANA PRODUCT CONTAINER LABELS--BUSINESS INFORMATION

EFFECTIVE DATE: June 7, 2018

Passed by the House January 22, 2018 Yeas 88 Nays 7

# FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 2, 2018 Yeas 45 Nays 3

# KAREN KEISER

President of the Senate

Approved March 13, 2018 10:46 AM

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 2474 as passed by House of Representatives and the Senate on the dates hereon set forth.

### BERNARD DEAN

Chief Clerk

FILED

March 13, 2018

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

### HOUSE BILL 2474

Passed Legislature - 2018 Regular Session

State of Washington 65th Legislature 2018 Regular Session

By Representatives Condotta, Sawyer, and Kloba

Read first time 01/10/18. Referred to Committee on Commerce & Gaming.

- 1 AN ACT Relating to information on marijuana product container
- 2 labels about the businesses that produced, processed, or sold the
- 3 marijuana product; amending RCW 69.50.345; and adding a new section
- 4 to chapter 69.50 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 69.50
- 7 RCW to read as follows:
- 8 The label on a marijuana product container sold at retail:
- 9 (1) Must include the business or trade name and Washington state
- 10 unified business identifier number of the marijuana producer and
- 11 processor that produced and processed the marijuana as required
- 12 pursuant to RCW 69.50.345(7); and
- 13 (2) Is not required to include the business or trade name or
- 14 Washington state unified business identifier number of, or any
- 15 information about, the marijuana retailer selling the marijuana
- 16 product.
- 17 **Sec. 2.** RCW 69.50.345 and 2015 c 70 s 8 are each amended to read
- 18 as follows:

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The state liquor and cannabis board, subject to the provisions of this chapter, must adopt rules that establish the procedures and criteria necessary to implement the following:

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- (1) Licensing of marijuana producers, marijuana processors, and marijuana retailers, including prescribing forms and establishing application, reinstatement, and renewal fees.
- (a) Application forms for marijuana producers must request the applicant to state whether the applicant intends to produce marijuana for sale by marijuana retailers holding medical marijuana endorsements and the amount of or percentage of canopy the applicant intends to commit to growing plants determined by the department under RCW 69.50.375 to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products sold to qualifying patients.
- (b) The state liquor and cannabis board must reconsider and increase limits on the amount of square feet permitted to be in production on July 24, 2015, and increase the percentage production space for those marijuana producers who intend to grow plants for marijuana retailers holding medical marijuana endorsements if the marijuana producer designates the increased production space to plants determined by the department under RCW 69.50.375 to be of a THC concentration, CBD concentration, or THC to CBD ratio appropriate for marijuana concentrates, useable marijuana, or marijuana-infused products to be sold to qualifying patients. If current marijuana producers do not use all the increased production space, the state liquor and cannabis board may reopen the license period for new marijuana producer license applicants but only to those marijuana producers who agree to grow plants for marijuana retailers holding medical marijuana endorsements. Priority in licensing must be given to marijuana producer license applicants who have an application pending on July 24, 2015, but who are not yet licensed and then to new marijuana producer license applicants. After January 1, 2017, any reconsideration of the limits on the amount of square feet permitted to be in production to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in RCW 69.51A.230;
- (2) Determining, in consultation with the office of financial management, the maximum number of retail outlets that may be licensed in each county, taking into consideration:
  - (a) Population distribution;

(b) Security and safety issues;

- (c) The provision of adequate access to licensed sources of marijuana concentrates, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and
- (d) The number of retail outlets holding medical marijuana endorsements necessary to meet the medical needs of qualifying patients. The state liquor and cannabis board must reconsider and increase the maximum number of retail outlets it established before July 24, 2015, and allow for a new license application period and a greater number of retail outlets to be permitted in order to accommodate the medical needs of qualifying patients and designated providers. After January 1, 2017, any reconsideration of the maximum number of retail outlets needed to meet the medical needs of qualifying patients must consider information contained in the medical marijuana authorization database established in RCW 69.51A.230;
- (3) Determining the maximum quantity of marijuana a marijuana producer may have on the premises of a licensed location at any time without violating Washington state law;
- (4) Determining the maximum quantities of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products a marijuana processor may have on the premises of a licensed location at any time without violating Washington state law;
- (5) Determining the maximum quantities of marijuana concentrates, useable marijuana, and marijuana-infused products a marijuana retailer may have on the premises of a retail outlet at any time without violating Washington state law;
- (6) In making the determinations required by this section, the state liquor and cannabis board shall take into consideration:
  - (a) Security and safety issues;
- (b) The provision of adequate access to licensed sources of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products to discourage purchases from the illegal market; and
- (c) Economies of scale, and their impact on licensees' ability to both comply with regulatory requirements and undercut illegal market prices;
- (7) Determining the nature, form, and capacity of all containers to be used by licensees to contain marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products, and their labeling requirements, to include but not be limited to:

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- 1 (a) The business or trade name and Washington state unified business identifier number of the licensees that produced and 2 processed ((and sold)) the marijuana, marijuana concentrates, useable 3 marijuana, or marijuana-infused product; 4
  - (b) Lot numbers of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;
  - (c) THC concentration and CBD concentration of the marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product;
- (d) Medically and scientifically accurate information about the 10 11 health and safety risks posed by marijuana use; and
  - (e) Language required by RCW 69.04.480;

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- (8) In consultation with the department of agriculture and the of department, establishing classes marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products according to grade, condition, cannabinoid profile, concentration, CBD concentration, or other qualitative measurements deemed appropriate by the state liquor and cannabis board;
- (9) Establishing reasonable time, place, and manner restrictions and requirements regarding advertising of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products that are not inconsistent with the provisions of this chapter, taking into consideration:
- (a) Federal laws relating to marijuana that are applicable within Washington state;
- (b) Minimizing exposure of people under twenty-one years of age to the advertising;
  - (c) The inclusion of medically and scientifically accurate information about the health and safety risks posed by marijuana use in the advertising; and
- 31 (d) Ensuring that retail outlets with medical marijuana endorsements may advertise themselves as medical retail outlets; 32
  - (10) Specifying and regulating the time and periods when, and the manner, methods, and means by which, licensees shall transport and deliver marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products within the state;
- (11) In consultation with the department and the department of 37 agriculture, establishing accreditation requirements for testing 38 39 laboratories used by licensees to demonstrate compliance with standards adopted by the state liquor and cannabis board, and

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prescribing methods of producing, processing, and packaging marijuana, marijuana concentrates, useable marijuana, and marijuanainfused products; conditions of sanitation; and standards of ingredients, quality, and identity of marijuana, marijuana concentrates, useable marijuana, and marijuana-infused products produced, processed, packaged, or sold by licensees;

7 Specifying procedures for identifying, (12)confiscating, destroying, and donating to law enforcement for 8 training purposes all marijuana, marijuana concentrates, useable 9 marijuana, and marijuana-infused products produced, processed, 10 packaged, labeled, or offered for sale in this state that do not 11 12 conform in all respects to the standards prescribed by this chapter or the rules of the state liquor and cannabis board. 13

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