
Commerce & Gaming Committee

HB 1858

Brief Description: Increasing marijuana license fees and adding a temporary additional fee on marijuana licenses issued by the Washington state liquor and cannabis board.

Sponsors: Representatives Sawyer, Appleton and Kloba; by request of Liquor and Cannabis Board.

Brief Summary of Bill

- Imposes an additional temporary fee of \$480 on all applications and renewals of marijuana-related licenses issued under chapter 69.50 RCW. The fee expires on June 30, 2018.
- Increases the annual fee for the issuance and renewal of all marijuana-related licenses from \$1,000 to \$1,300.

Hearing Date: 2/7/17

Staff: Thamas Osborn (786-7129).

Background:

Licensing of Marijuana Producers, Processors, and Retailers.

The Liquor and Cannabis Board (LCB) issues three categories of commercial marijuana licenses: (1) the marijuana producer's license entitles the holder to produce marijuana for sale at wholesale to licensed marijuana processors or other producers; (2) the marijuana processor's license entitles the holder to process, package, and label marijuana for sale at wholesale to marijuana retailers and other processors; and (3) the marijuana retailer's license entitles the holder to sell marijuana products at retail prices in retail outlets. The annual fee for each of the licenses is \$1,000.

Marijuana Research License.

In 2015, a marijuana research license was authorized to permit a licensee to produce and possess marijuana to test chemical potency and composition levels; conduct clinical investigations of

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

marijuana-derived drug products; conduct research on the efficacy and safety of administering marijuana as part of a medical treatment; and conduct genomic or agricultural research.

The LCB is assigned the lead role in the oversight and review of projects submitted by marijuana research license applicants. The LCB must select a scientific reviewer to evaluate project proposals. Marijuana research license applicants must submit to the designated scientific reviewer a description of the research the applicant intends to conduct. The scientific reviewer must then review the project and determine if it meets one of the permitted research purposes. The application is rejected if the scientific reviewer finds that the proposed project does not meet the project criteria established under statute.

The application fee for a marijuana research license is \$250. The annual fee for issuance and renewal of the license is \$1,000.

Summary of Bill:

Temporary Fee for Marijuana-Related Licenses.

Under the bill, an additional temporary fee of \$480 is imposed on all applications and renewals of marijuana-related licenses issued under chapter 69.50 RCW. This fee is applicable to all license applications and modifications received on or after the effective date of the act. It is also applicable to those license renewal applicants whose license expiration is on or after June 30, 2017. This additional fee is applicable to licenses pertaining to marijuana production, processing, retailing, and research. The temporary fee expires as of June 30, 2018.

Increase in Annual Fee for the Issuance and Renewal of Marijuana-Related Licenses.

The annual fee for the issuance and renewal of all marijuana-related licenses is increased from \$1,000 to \$1,300. This fee increase applies to all licenses pertaining to marijuana production, processing, retailing, and research.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.