
Commerce & Gaming Committee

HB 2021

Brief Description: Authorizing the sale of marijuana plants and seeds to qualifying patients and designated providers.

Sponsors: Representatives Farrell and Macri.

Brief Summary of Bill

- Authorizes marijuana producers to produce and sell marijuana plants and seeds at retail, at the premises of the marijuana producer, to qualifying patients age 18 and over and designated providers with a valid authorization or valid recognition card.
- Grants the Liquor and Cannabis Board wide rule-making authority to establish an effective process for the sale of marijuana plants and seeds by marijuana producers to qualifying patients age 18 and over and designated providers.

Hearing Date: 2/13/17

Staff: Peter Clodfelter (786-7127).

Background:

Qualifying Patients and Designated Providers.

Qualifying Patients. A qualifying patient is a person who: (1) is a patient of a health care professional; (2) has been diagnosed by that health care professional as having a terminal or debilitating medical condition; (3) is a Washington resident at the time of the diagnosis; (4) has been advised by that health care professional about the risks and benefits of the medical use of marijuana; (5) has been advised by that health care professional that they may benefit from the medical use of marijuana; and (6) has an authorization from the person's health care professional. An authorization is a form developed by the Department of Health (DOH) that is completed and signed by a qualifying patient's health care professional and printed on tamper-resistant paper.

Designated Providers. A designated provider is an adult who is designated in writing by a qualifying patient to serve as the designated provider for that patient, or, if the qualifying patient

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.

is under age 18, then is the qualifying patient's parent or guardian. A designated provider also must have an authorization from the qualifying patient's health care professional or be entered into the Medical Marijuana Authorization Database (the Database) and hold a recognition card. Designated providers may serve as a designated provider for only one qualifying patient at a time and may not convert any of the marijuana for their personal use.

The Medical Marijuana Authorization Database.

Entered In Database. Qualifying patients may choose whether to receive a recognition card and be entered into the Database. A recognition card is a card issued to qualifying patients and designated providers by a marijuana retailer with a medical marijuana endorsement that has entered the qualifying patient or designated provider into the Database, and includes the qualifying patient or designated provider's photograph, the amount of marijuana products and plants the qualifying patient or designated provider may possess, the name of the health care professional who authorized the qualifying patient or designated provider, and other information.

Being entered into the Database means a qualifying patient or designated provider may purchase and possess three times the amounts of marijuana products at retail as a recreational adult consumer, and may grow up to six marijuana plants at their residence for the qualifying patient's personal use and possess up to 8 ounces of useable marijuana produced from those plants. Also, if a qualifying patient or designated provider in the Database has additional authorization from a health care professional to do so because of the qualifying patient's medical need, the qualifying patient or designated provider may grow up to 15 marijuana plants at their residence and possess in their domicile up to 16 ounces of useable marijuana produced from those plants. There is an exemption from state and local sales taxes for retail purchases of marijuana products by a qualifying patients or designated provider, but the marijuana excise tax of 37 percent of the selling price applies to retail sales.

Not Entered In Database. If a qualifying patient or designated provider with a valid authorization from a healthcare professional decides not to be entered into the Database and not be issued a recognition card, the qualifying patient or designated provider may grow up to four marijuana plants at their domicile and possess up to six ounces of useable marijuana. At retail outlets, such qualifying patients are treated like adult recreational consumers and have the same possession limits, and pay both the marijuana excise tax and state and local sales taxes. And, instead of arrest protection, such a qualifying patient or designated provider has an affirmative defense to violations of state law relating to marijuana through proof at trial, by a preponderance of the evidence, that the qualifying patient or designated provider otherwise meets the requirements of the Washington State Medical Use of Cannabis Act.

Marijuana Cooperatives.

Qualifying patients or designated providers may form a cooperative and share responsibility for acquiring and supplying the resources needed to produce and process marijuana only for the medical use of members of the cooperative. No more than four qualifying patients or designated providers may become members of a cooperative and all members must hold valid recognition cards, which must be displayed at the premises. All members of the cooperative must be at least age 21. The designated provider of a qualifying patient who is under age 21 may be a member of a cooperative on the qualifying patient's behalf. All plants grown in the cooperative must be purchased or cloned from a plant purchased from a licensed marijuana producer.

Additional requirements include that the cooperative's location must be registered with the Liquor and Cannabis Board (LCB), the location must be within a participant's domicile, the location may not be within one mile of a marijuana retail outlet or within 1,000 feet of specific places including an elementary or secondary school, playground, recreation center or facility, child care center, or public park, with limited exception. Further, participants may not grow additional plants at their residence, may not divert marijuana out of the cooperative, and must participate in a seed-to-sale traceability system monitored by the LCB. Also, local governments may prohibit cooperatives through local zoning ordinances.

Summary of Bill:

The marijuana producer license is modified to authorize the production of marijuana plants and seeds for sale at retail at the premises of the marijuana producer, to qualifying patients age 18 and over and designated providers with a valid authorization or recognition card. Marijuana producers may also sell seeds to marijuana cooperatives.

The LCB must adopt rules authorizing marijuana producers to produce, process, package, label, and sell plants and marijuana seeds at retail, at the premises of the marijuana producer, to qualifying patients and designated providers with a valid authorization or valid recognition card. The LCB is granted rule-making authority to adopt any rule that is necessary and appropriate to provide for an effective process for qualifying patients age 18 and over and designated providers with a valid authorization or recognition card to purchase plants and marijuana seeds from marijuana producers at retail, at the premises of the marijuana producer.

The marijuana excise tax is levied on each retail sale of marijuana plants and seeds.

A minor under age 18 with a valid authorization for the medical use of marijuana is prohibited from purchasing marijuana plants or seeds from a marijuana producer.

Appropriation: None.

Fiscal Note: Requested on 2/10/17.

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