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## Commerce & Gaming Committee

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### HB 2334

**Brief Description:** Regulating the use of cannabinoid additives in marijuana products.

**Sponsors:** Representatives Sawyer and Kloba.

#### Brief Summary of Bill

- Authorizes licensed marijuana producers and processors to use cannabidiol products (CBD products) obtained from sources other than state licensed producer/processors, provided such products are laboratory tested, approved by the Liquor and Cannabis Board (LCB), and meet other specified requirements.
- Requires that all CBD products used by licensed producers and processors meet legal standards for product safety and purity.
- Creates a definition of "CBD product".
- Provides the LCB with rule making authority regarding the use of CBD products by licensed marijuana producers and processors.

**Hearing Date:** 1/8/18

**Staff:** Thamas Osborn (786-7129).

#### **Background:**

##### **Cannabinoids and Cannabidiol.**

The term "cannabinoid" encompasses a wide variety of organic compounds derived from the cannabis plant. Cannabidiol (CBD) is a type of cannabinoid that is believed to have potential health benefits and is the active ingredient in most regulated medical marijuana products produced and sold by Liquor and Cannabis Board (LCB) licensed marijuana producer/processors and retailers, respectively. In its purest form, CBD does not contain tetrahydrocannabinol (THC), which is the cannabis-derived psychoactive compound that causes euphoric effects. Properly purified CBD products may contain some THC, but the percentage of THC is generally small and does not reach levels typically found in regulated recreational marijuana products.

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Accordingly, in this state cannabis products, including CBD, that have a THC content of 0.3 or less do not meet the statutory definition of marijuana and therefore are not considered to be controlled substances.

**CBD Products Obtained Outside of the Initiative 502 Regulatory System.**

CBD concentrates are often used as an additive by licensed marijuana processors in order to enhance the CBD content of medical marijuana products. Although many marijuana processors have the technical ability to produce CBD concentrates, it is common for marijuana processors to purchase such concentrates from sources operating outside of the marijuana market regulated by the LCB and the Department of Health (DOH).

Most CBD concentrates used by state licensed marijuana processors are derived from hemp and imported from foreign countries engaged in hemp production. These imported CBD concentrates generally enter the country in the form of hemp oil. As a form of cannabis, hemp plants produce CBD that can be extracted and concentrated for use by state licensed marijuana processors in order to increase the CBD content of their medical marijuana products. Whether derived from hemp or marijuana, imported CBD concentrates are not subject to state regulation and therefore are not subject to laboratory testing for toxins and other impurities. Consequently, medical marijuana products that contain imported CBD additives may contain toxic substances that are undetected.

**Summary of Bill:**

State licensed marijuana producers and processors are unrestricted in their use of CBD products for the purpose of enhancing the CBD content of regulated marijuana products, provided such CBD products are lawfully produced by, or purchased from, an in-state producer or processor licensed by the LCB.

Licensees may also use CBD products for CBD enhancement purposes that are either imported or otherwise produced outside of the LCB regulatory system provided the CBD product has:

- a THC level of 0.3 percent or less on a dry weight basis;
- been tested for contaminants and toxins by an accredited testing laboratory licensed by the LCB; and
- been explicitly approved by the LCB for use by licensed producers and processors.

The LCB may approve the use of a CBD product that has been imported or otherwise obtained from a source outside of the LCB regulatory system only upon a finding that:

- the CBD product has been properly tested in accordance with the requirements of this act; and
- laboratory test results show that the CBD product meets the legal standards for product safety and purity established in this chapter and by administrative rule.

The term "CBD product" is defined as being any product containing or consisting of cannabidiol.

The LCB is authorized to enact the rules necessary to implement the requirements of this section.

**Appropriation:** None.

**Fiscal Note:** Available.

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