

SENATE BILL REPORT

SB 6171

As of January 16, 2018

Title: An act relating to ensuring reasonable terms of payment are available to marijuana retailers when contracting with marijuana processors for the purchase of marijuana products.

Brief Description: Ensuring reasonable terms of payment are available to marijuana retailers when contracting with marijuana processors for the purchase of marijuana products.

Sponsors: Senators Rivers, Palumbo and Mullet.

Brief History:

Committee Activity: Labor & Commerce:

Brief Summary of Bill

- Allows contracts between marijuana processors and retailers to include reasonable terms of payment.
- Allows payment after delivery, so long as payment is made not more than 15 days later.

SENATE COMMITTEE ON LABOR & COMMERCE

Staff: Richard Rodger (786-7461)

Background: The Liquor and Cannabis Board (LCB) issues the following three commercial marijuana licenses: marijuana producer license; marijuana processor license; and marijuana retailer license.

The LCB regulates what methods of payment may be made by a licensed marijuana producer, processor, or retailer when purchasing marijuana products. Pursuant to the LCB's rules, a marijuana licensee must pay for any marijuana products it purchases prior to or at the time of delivery. The LCB allows the payments to be made, subject to certain requirements, by: checks; credit/debit cards; electronic funds transfer; prepaid accounts; and transactions using a money transmitter.

Summary of Bill: A contract between a marijuana processor and a marijuana retailer for the purchase and sale of marijuana products may allow the marijuana retailer to make the full or

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final payment to the marijuana processor on a date after the date the marijuana products are delivered to or received. However, the contract must require the marijuana retailer to make the full or final payment not more than 15 calendar days after the date of delivery or receipt. The new contracts provisions apply to contracts entered or renewed on or after the effective date of the act.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.