
Commerce & Gaming Committee

HB 1238

Brief Description: Authorizing marijuana retailers to sell certain products and merchandise.

Sponsors: Representatives Reeves, Blake and Appleton.

Brief Summary of Bill

- Authorizes licensed marijuana retail outlets to sell marijuana merchandise, Cannabidiol products, and other products not intended for consumption.
- Requires the Liquor and Cannabis Board to establish marketing standards to ensure products sold by licensed marijuana retailers are not intended to appeal to minors or otherwise encourage marijuana use by minors.

Hearing Date: 1/28/19

Staff: Kyle Raymond (786-7190).

Background:

The Retail Sale of Marijuana Products.

Licensed marijuana retailers are limited in what products or services they may sell to adults age 21 and over. Marijuana retailers are authorized to sell only:

- useable marijuana;
- marijuana-infused products;
- marijuana concentrates; and
- paraphernalia intended for the storage of marijuana products.

Marijuana retailers with a medical marijuana endorsement may also sell marijuana products to qualifying patients who hold a recognition card and are entered into the Medical Marijuana Authorization Database.

The Liquor and Cannabis Board (LCB) regulates the products marijuana retailers sell, and the LCB is required to fine licensed marijuana retailers \$1,000 for each violation.

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.

Cannabidiol (CBD).

The term cannabinoid encompasses a wide variety of organic compounds derived from the cannabis plant, and CBD is one type of cannabinoid.

In its purest form, CBD contains either little or no tetrahydrocannabinol (THC), which is the cannabis-derived psychoactive compound that causes euphoric effects in marijuana products. In Washington state, CBD with a THC content of 0.3 percent or less does not meet the statutory definition of marijuana, and is therefore not considered a controlled substance.

Licensed marijuana producers and processors may use CBD as an additive for any authorized marijuana product, provided the CBD product is lawfully produced by, or purchased from, a licensed producer or processor.

Licensed marijuana producers and processors may also use CBD products obtained outside the LCB regulatory system, provided the CBD product: (1) has a THC level of 0.3 percent or less on a dry weight basis; and (2) has been tested for contaminants and toxins by an accredited, licensed testing laboratory.

Summary of Bill:

Marijuana merchandise, CBD products, and other products not intended for consumption are added to the list of products or services that licensed marijuana retailers may sell at retail outlets.

The term "marijuana merchandise" is defined as wearable apparel that serves to promote or advertise the retail outlet, or a product line sold by the retail outlet, that has labeling affixed to the wearable apparel that includes: (1) the retail outlet's name, logo, or other symbol associated with the retail outlet; or (2) a name, logo, or other symbol associated with a product line sold by the retail outlet.

Retail outlets may sell any CBD product obtained from: (1) a licensed marijuana producer and/or processor; or (2) a manufacturer who sells and markets its product outside of the LCB regulatory framework.

The LCB must establish retail product design and marketing standards to ensure products sold by licensed marijuana retailers are not intended to appeal to minors or otherwise encourage marijuana use by minors.

Appropriation: None.

Fiscal Note: Available.

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