

# HOUSE BILL REPORT

## HB 1249

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**As Reported by House Committee On:**  
Regulated Substances & Gaming

**Title:** An act relating to limits on the sale and possession of retail cannabis products.

**Brief Description:** Regarding limits on the sale and possession of retail cannabis products.

**Sponsors:** Representatives Corry and Reeves.

**Brief History:**

**Committee Activity:**

Regulated Substances & Gaming: 1/16/23, 2/6/23 [DP].

**Brief Summary of Bill**

- Authorizes cannabis retailers to sell additional amounts of certain cannabis-infused product in liquid form to a retail customer in a single transaction.
- Authorizes persons 21 years of age or older to possess and, subject to requirements in current law, to transfer additional amounts of certain cannabis-infused product in liquid form to another person or persons 21 years of age or older.

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### HOUSE COMMITTEE ON REGULATED SUBSTANCES & GAMING

**Majority Report:** Do pass. Signed by 11 members: Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Cheney, Morgan, Orwall, Reeves, Walsh and Waters.

**Staff:** Peter Clodfelter (786-7127).

**Background:**

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

Licensed cannabis retailers and their employees, pursuant to Washington State Liquor and Cannabis Board rules, may legally sell in a transaction any combination of the following amounts of cannabis products to a person 21 years of age or older:

- 1 ounce of useable cannabis;
- 16 ounces of cannabis-infused product in solid form;
- 72 ounces of cannabis-infused product in liquid form; and
- 7 grams of cannabis concentrate.

Persons 21 years of age or older may not legally possess a combined total of more than those amounts of cannabis products, unless the person is a qualifying patient or designated provider. Cannabis licensees and their employees are prohibited from conducting a transaction that facilitates an individual in obtaining more than the personal possession amount.

A person 21 years of age or older may transfer to another person or persons 21 years of age or older, within a single 24 hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, an amount of cannabis products equal to half of the possession limits for persons 21 years of age or older. The transfer must be in a location outside of the view of the general public and in a nonpublic place, or the cannabis or cannabis product must be in the original packaging as purchased from the retailer.

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**Summary of Bill:**

New authorization is provided for cannabis retailers to sell 200 milligrams of tetrahydrocannabinol (THC) within a cannabis-infused product in liquid form, to a retail customer, if the product is packaged in individual units containing no more than 4 milligrams of THC per unit.

This new authorization is in addition to the current authorization for licensed cannabis retailers and their employees to sell specified amounts of different cannabis products to a retail customer in a single transaction.

Persons 21 years of age or older may legally possess this additional amount of cannabis-infused product in liquid form. Persons 21 years of age or older may also transfer to another person or persons 21 years of age or older, within a 24 hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, 100 milligrams of THC within a cannabis-infused product in liquid form if the product is packaged in individual units containing no more than 4 milligrams of THC per unit.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Staff Summary of Public Testimony:**

(In support) There are currently strict limits on the cannabis products in liquid form that may be sold at retail outlets. New products are entering the market including canned beverages with low levels of tetrahydrocannabinol (THC). But current transaction and possession limits restrict the ability to sell these products. For 12-ounce cans of beverages, only a single six pack of cans may be purchased, regardless of whether the cans are lower-THC liquid products or higher-THC liquid products. The government needs to catch up to the market and remove barriers to new products liked by consumers. The retail transaction limits set by Initiative 502 (2012) primarily focused on smokable flower measured in weight, and included a somewhat arbitrary limit on liquid cannabis-infused products at 72 fluid ounces. Ten years into cannabis legalization, product offerings have changed and consumers seek out low-THC product options. The current law effectively prevents cannabis processors from bringing many low-THC liquid products to market. Updating and modernizing the transaction limits will ensure that consumers who want low-THC liquid products also have options. Low-THC products are an important part of the market's evolution. This bill will make lower-THC products, such as seltzers with natural flavors and 2.5 milligrams of THC per serving, more accessible. This bill reflects the market and consumers' preferences.

(Opposed) Consumers support the general proposition of increasing the transaction limits and potency limits per package for edibles. However, these changes should not be made only to liquid edible products but also to edible products in solid form. The bill is written in a needlessly confusing way. Additionally, the bill requires excessive product packaging and contributes to a packaging waste problem currently facing the cannabis industry. There could potentially be up to 50 pieces of packaging for a stock-keeping unit. Retail shelf space for these liquid products is also a concern. The proposed 4 milligram limit for the individual units of additional cannabis-infused liquid product should be completely removed. That is a negligible amount of THC even for consumers who seldom use cannabis. Consumers who seek out higher potency edibles are, unfortunately, forced into the illicit market.

**Persons Testifying:** (In support) Representative Chris Corry, prime sponsor; Douglas Henderson, Painted Rooster Cannabis Company; and Brooke Davies, Washington CannaBusiness Association.

(Opposed) Ramsey Doudar, Patients and Users for Reasonable Policy.

**Persons Signed In To Testify But Not Testifying:** None.