
Regulated Substances & Gaming Committee

HB 1642

Brief Description: Regulating the sale of cannabis concentrates.

Sponsors: Representatives Davis, Dent, Leavitt, Harris, Callan, Eslick, Walen, Senn, Ramel, Duerr, Gregerson and Pollet.

Brief Summary of Bill

- Prohibits licensed cannabis retailers from selling cannabis concentrates with a tetrahydrocannabinol (THC) concentration greater than 35 percent, except for cannabis retailers with a medical cannabis endorsement who may continue to sell these products to qualifying patients and designated providers who are entered in the Medical Cannabis Authorization Database.
- Limits licensed cannabis processors to only processing and selling cannabis concentrates with a THC concentration greater than 35 percent when those products are intended for sale as authorized in the bill.

Hearing Date: 2/2/23

Staff: Peter Clodfelter (786-7127).

Background:

Washington law regulates commercial cannabis production, processing, and sales and establishes three primary categories of cannabis products sold at retail. The product categories are the following:

1. "Cannabis concentrates" are products consisting wholly or in part of the resin extracted

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from any part of the plant *Cannabis* and having a delta-9 tetrahydrocannabinol (THC) concentration greater than 10 percent. The Liquor and Cannabis Board's (LCB) rules provide that a single serving of cannabis concentrate may not exceed one gram.

2. "Useable cannabis" is dried cannabis flowers; the term "useable cannabis" does not include either cannabis concentrates or cannabis-infused products.
3. "Cannabis-infused products" are products that contain cannabis or cannabis extracts, are intended for human use, are derived from cannabis, and have a THC concentration no greater than 10 percent. This product category does not include either useable cannabis or cannabis concentrates. The LCB's rules provide that, except for authorization limited to qualifying patients and designated providers in the Medical Cannabis Authorization Database (Database) who hold a valid recognition card, single servings of cannabis-infused edibles may not exceed 10 milligrams of active THC, and the maximum number of servings in a single unit is 10 servings.

"THC concentration" is defined as the percent of delta-9 THC content per dry weight of any part of the plant *Cannabis*, or per volume or weight of cannabis product, or the combined percent of delta-9 THC and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.

In addition to selling limited amounts of cannabis products to adults age 21 and over, cannabis retailers who hold a medical cannabis endorsement may also sell cannabis for medical use to qualifying patients and designated providers. To qualify for the medical use of cannabis a person must be a patient of a health care professional who is diagnosed as having a qualifying terminal or debilitating medical condition, is advised about the risks and benefits of the medical use of cannabis and that they may benefit from the medical use of cannabis, and is issued an authorization form signed by the person's health care professional.

Once a person has a completed authorization form, the person may choose to participate in the Database and be issued a recognition card by visiting a cannabis retailer with a medical endorsement, presenting their completed authorization form to a certified medical cannabis consultant, and opting in to the Database. Holding a recognition card authorizes the purchase and possession of three times more cannabis products than otherwise allowed.

Holding a recognition card also allows production of a greater number of cannabis plants than otherwise allowed for qualifying patients and designated providers. Patients and providers who are in the Database and who hold a valid recognition card may also purchase high-THC cannabis-infused products, meeting standards established by the Department of Health that are otherwise unavailable to adults age 21 and over. Additionally, there is a sales and use tax exemption on purchases of cannabis products for qualifying patients and designated providers entered in the Database with a valid recognition card.

Summary of Bill:

Legislative findings and intent are included. New restrictions are added to the sale of the

cannabis concentrate category of products. Generally, cannabis retail outlets are prohibited from selling cannabis concentrates with a THC concentration greater than 35 percent.

However, an exception is provided for cannabis retail outlets with a medical cannabis endorsement. Retailers with the medical cannabis endorsement may continue to sell cannabis concentrates with a THC concentration greater than 35 percent, but only to qualifying patients and designated providers who are entered in the Database and who hold a valid recognition card.

It is provided that a cannabis processor may process, package, possess, deliver, distribute, and sell cannabis concentrates with a THC concentration greater than 35 percent only when the cannabis concentrates are intended for sale to a cannabis retailer with a medical cannabis endorsement who will sell the products at retail as authorized in the bill.

Appropriation: None.

Fiscal Note: Available.

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