

# SENATE BILL REPORT

## SB 5121

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As Reported by Senate Committee On:  
Health Care, January 29, 2015

**Title:** An act relating to establishing a marijuana research license.

**Brief Description:** Establishing a marijuana research license.

**Sponsors:** Senators Kohl-Welles, Rivers, Bailey, Pedersen, Liias, McAuliffe, Frockt, Chase, Keiser and Hatfield.

**Brief History:**

**Committee Activity:** Health Care: 1/22/15, 1/29/15 [DP].

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### SENATE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass.

Signed by Senators Becker, Chair; Frockt, Ranking Minority Member; Angel, Bailey, Baumgartner, Brown, Cleveland, Conway, Jayapal, Keiser, Parlette and Rivers.

**Staff:** Kathleen Buchli (786-7488)

**Background:** In 2012 voters approved Initiative 502 which established a regulatory system for the production, processing, and distribution of limited amounts of marijuana for non-medical purposes. Under this system, the Liquor Control Board (LCB) issues licenses to marijuana producers, processors, and retailers and adopts standards for the regulation of these operations.

A marijuana producer license permits a licensee to produce, harvest, trim, dry, cure, and package marijuana into lots for sale at wholesale to marijuana processor licensees and to other marijuana producer licensees. A marijuana producer can also produce and sell marijuana plants, seed, and plant tissue culture to other marijuana producer licensees. A marijuana processor license allows the licensee to process, package, and label usable marijuana and marijuana-infused products for sale at wholesale to marijuana retailers. A marijuana retailer license allows the licensee to sell only usable marijuana, marijuana-infused products, and marijuana paraphernalia at retail in retail outlets to persons 21 years of age and older. None of these licenses permit a person to grow marijuana for research purposes.

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The Controlled Substances Therapeutic Research Act was adopted by the Legislature in 1979. It established a Controlled Substances Therapeutic Research Program (Program) to be administered by the Pharmacy Quality Assurance Commission. The Program was limited to cancer chemotherapy and radiology patients and glaucoma patients who are certified by a patient qualification review committee as being involved in a life-threatening or sense-threatening situation. The Program does not grow marijuana for its use. It is permitted to use marijuana that has been confiscated by local or state law enforcement agencies.

In 2011 the Legislature authorized both the University of Washington (UW) and Washington State University (WSU) to conduct scientific research on the efficacy and safety of administering marijuana as part of medical treatment. As part of this research, UW and WSU were authorized to develop and conduct studies to ascertain the general medical safety and efficacy of marijuana and permitted to develop medical guidelines for the appropriate administration and use of marijuana. No provision was made for either university to grow marijuana or to otherwise obtain marijuana.

The Life Sciences Discovery Fund (LSDF) was established in 2005 to foster growth of the state's life sciences sector and improve the health and economic wellbeing of its residents. LSDF invests monies from the Master Tobacco Settlement Agreement in research and development across Washington that demonstrate the strongest potential for delivering health and economic returns to the state.

**Summary of Bill:** A marijuana research license is established to permit a licensee to produce and possess marijuana to test chemical potency and composition levels; conduct clinical investigations of marijuana-derived drug products; conduct research on the efficacy and safety of administering marijuana as part of a medical treatment; and conduct genomic or agricultural research.

Marijuana research license applicants must submit to LSDF a description of the research it intends to conduct. LSDF must review the project and determine if it meets one of the permitted research purposes. The application is rejected if LSDF does not find that the project is for a permitted research purpose.

A licensee may only sell marijuana it produces to other marijuana research licensees. The licensee may contract with UW or WSU to perform research in conjunction with the university.

The application fee for a marijuana research license is \$250. The annual fee for issuance and renewal of the license is \$1,000. Fifty percent of the application fee and renewal fees must be deposited to the LSDF.

**Appropriation:** None.

**Fiscal Note:** Available.

[OFM requested ten-year cost projection pursuant to I-960.]

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** PRO: This ensures that, for the medical side of the market, people will have tested and labeled products. This bill will foster research on the medicinal effects of marijuana and will ensure patients get the care they need. We do not expect a significant amount of costs to LCB in implementing the license. Under I-502 licensees may grow but I-502 does not allow for companies that want to grow for research and not for sale. We want a licensed structure to allow researchers to grow, research, and collaborate with other researchers. This will allow us to examine the genetic variability of the cannabis plant. The diversity of the genome leads to different cannabinoid profiles. These different profiles affect people differently and we need to know how these cannabinoids work together. Cannabinoids work together producing something called the entourage effect, and we need to understand which cannabinoids are needed to produce a specific result. We need as much research as possible. Parents do not have the information they need to treat their children's medical conditions. Parents are left to discuss with other parents or find research on the internet when it comes to treating their children's medical conditions and we have much to learn about the use of cannabis in treating medical conditions. We want valid, critical, scientific review of the medical use of cannabis. Parents should not have to teach each other; we should have experts to provide this information. Currently the federal government only allows limited research using marijuana grown at the University of Mississippi; this is very limiting and not good enough for the research that we do. We are interested in improving the quality of cannabis research and the relationship of cannabis in the prevention of Alzheimer's disease. We would like the bill to be expanded to look at prevention and management of conditions as well as palliative care and cure. The state needs to promote biomedical research and allow the production of biomedical products so researchers can produce products to save lives. Licensees should be able to source cannabis and products from I-502 licensees. All Washington State universities should be permitted to research, not just the UW or WSU. This is the no-brainer marijuana bill this session. The federal government has stymied federal research and will allow the state to become a leader, nationally and worldwide, in cannabis research. This will be bigger than the technology industry and will drive the economy. We will create strains that will thrive in our state. Not being able to conduct scientific research stifles the growth and technology of this state and adversely affects the quality of life of people in this state. We need to research openly and we need to conduct the necessary research in this field as we do in every other field of research. Research could be used to help educate health care providers on the medical use of marijuana. This is about an intellectual pursuit of truth as we learn about what marijuana does.

OTHER: Campus research is not allowed because cannabis is schedule I in this state. We need to reschedule cannabis and broaden our ability to use the drug. We need to discuss seed production as well as clone production.

**Persons Testifying:** PRO: Senator Kohl-Welles, prime sponsor; John Worthington, Cannabis Action Coalition, American Alliance for Medical Cannabis; Laura Worth, LifeSense Technologies, LLC; Jessica Tonani, Verda Bio; Michael West, Chief Technology Officer, Green Lion Farms, Assn. of Cannabis Breeders and Growers; Jedidiah Haney, CAUSE-M; Muraco Kyashna-tocha, Green Buddha Patient Co-op; James Paribello, LCB; Chris Maxwell, Cloud Market; Arthur West, Ryan Day, Shelly Dawn Early, citizens.

OTHER: Tyler Markwart, Director, Allele Seeds Research.