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**SUBSTITUTE SENATE BILL 5324**

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**State of Washington 65th Legislature 2017 Regular Session**

**By** Senate Agriculture, Water, Trade & Economic Development (originally sponsored by Senators Takko and Rivers; by request of Department of Agriculture)

AN ACT Relating to adding authority to the department of agriculture to regulate sanitary processing of marijuana-infused edibles; amending RCW 69.07.010, 69.07.020, and 19.02.110; adding a new section to chapter 69.07 RCW; creating a new section; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 69.07.010 and 1992 c 34 s 3 are each amended to read as follows:

For the purposes of this chapter:

(1) "Department" means the department of agriculture of the state of Washington;

(2) "Director" means the director of the department;

(3) "Food" means any substance used for food or drink by any person, including ice, bottled water, and any ingredient used for components of any such substance regardless of the quantity of such component;

(4) "Sale" means selling, offering for sale, holding for sale, preparing for sale, trading, bartering, offering a gift as an inducement for sale of, and advertising for sale in any media;

(5) "Food processing" means the handling or processing of any food in any manner in preparation for sale for human consumption: PROVIDED, That it shall not include fresh fruit or vegetables merely washed or trimmed while being prepared or packaged for sale in their natural state;

(6) "Food processing plant" includes but is not limited to any premises, plant, establishment, building, room, area, facilities and the appurtenances thereto, in whole or in part, where food is prepared, handled or processed in any manner for distribution or sale for resale by retail outlets, restaurants, and any such other facility selling or distributing to the ultimate consumer: PROVIDED, That, as set forth herein, establishments processing foods in any manner for resale shall be considered a food processing plant as to such processing;

(7) "Food service establishment" shall mean any fixed or mobile restaurant, coffee shop, cafeteria, short order cafe, luncheonette, grill, tearoom, sandwich shop, soda fountain, tavern, bar, cocktail lounge, night club, roadside stand, industrial-feeding establishment, retail grocery, retail food market, retail meat market, retail bakery, private, public, or nonprofit organization routinely serving food, catering kitchen, commissary or similar place in which food or drink is prepared for sale or for service on the premises or elsewhere, and any other eating or drinking establishment or operation where food is served or provided for the public with or without charge.

For the purpose of this chapter any custom cannery or processing plant where raw food products, food, or food products are processed for the owner thereof, or the food processing facilities are made available to the owners or persons in control of raw food products or food or food products for processing in any manner, shall be considered to be food processing plants;

(8) "Person" means an individual, partnership, corporation, or association;

(9) "Board" means the state liquor and cannabis board;

(10) "Marijuana" has the definition in RCW 69.50.101;

(11) "Marijuana-infused edible" has the same meaning as "marijuana-infused products" as defined in RCW 69.50.101, but limited to products intended for oral consumption;

(12) "Marijuana-infused edible processing" means processing, packaging, or making marijuana-infused edibles using marijuana, marijuana extract, or marijuana concentrates as an ingredient. The term does not include preparation of marijuana as an ingredient including, but not limited to, processing marijuana extracts or marijuana concentrates;

(13) "Marijuana processor" has the definition in RCW 69.50.101.

**Sec.**  RCW 69.07.020 and 1969 c 68 s 1 are each amended to read as follows:

(1) The department shall enforce and carry out the provisions of this chapter, and may adopt the necessary rules to carry out its purposes.

(2) Such rules may include:

(a) Standards for temperature controls in the storage of foods, so as to provide proper refrigeration.

(b) Standards for temperatures at which low acid foods must be processed and the length of time such temperatures must be applied and at what pressure in the processing of such low acid foods.

(c) Standards and types of recording devices that must be used in providing records of the processing of low acid foods, and how they shall be made available to the department of agriculture for inspection.

(d) Requirements for the keeping of records of the temperatures, times and pressures at which foods were processed, or for the temperatures at which refrigerated products were stored by the licensee and the furnishing of such records to the department.

(e) Standards that must be used to establish the temperature and purity of water used in the processing of foods.

(3) The department may adopt rules specific to marijuana-infused edibles. Such rules must be written and interpreted to be consistent with rules adopted by the board and the department of health.

**Sec.**  RCW 19.02.110 and 2013 c 144 s 25 are each amended to read as follows:

(1) In addition to the licenses processed under the business licensing system prior to April 1, 1982, on July 1, 1982, use of the business licensing system is expanded as provided by this section.

(2) Applications for the following must be filed with the business licensing service and must be processed, and renewals must be issued, under the business licensing system:

(a) Nursery dealer's licenses required by chapter 15.13 RCW;

(b) Seed dealer's licenses required by chapter 15.49 RCW;

(c) Pesticide dealer's licenses required by chapter 15.58 RCW;

(d) Shopkeeper's licenses required by chapter 18.64 RCW;

(e) Egg dealer's licenses required by chapter 69.25 RCW; and

(f) Marijuana-infused edible endorsements required by chapter 69.07 RCW.

NEW SECTION. **Sec.**  A new section is added to chapter 69.07 RCW to read as follows:

(1) In addition to the requirements administered by the board under chapter 69.50 RCW, the department shall regulate marijuana-infused edible processing the same as other food processing under this chapter, except:

(a) The department shall not consider foods containing marijuana to be adulterated when produced in compliance with chapter 69.50 RCW and the rules adopted by the board;

(b) Initial issuance and renewal for an annual marijuana-infused edible endorsement in lieu of a food processing license under RCW 69.07.040 must be made through the business licensing system under chapter 19.02 RCW;

(c) Renewal of the endorsement must coincide with renewal of the endorsement holder's marijuana processor license;

(d) The department shall adopt a penalty schedule specific to marijuana processors, which may have values equivalent to the penalty schedule adopted by the board. Such penalties are in addition to any penalties imposed under the penalty schedule adopted by the board; and

(e) The department shall notify the board of violations by marijuana processors under this chapter.

(2) A marijuana processor that processes, packages, or makes marijuana-infused edibles must obtain an annual marijuana-infused edible endorsement, as provided in this subsection (2).

(a) The marijuana processor must apply for issuance and renewal for the endorsement from the department through the business licensing system under chapter 19.02 RCW.

(b) The marijuana processor must have a valid marijuana processor license before submitting an application for initial endorsement. The application and initial endorsement fees total eight hundred ninety-five dollars. Applicants for endorsement otherwise must meet the same requirements as applicants for a food processing license under this chapter including, but not limited to, successful completion of inspection by the department.

(c) Annual renewal of the endorsement must coincide with renewal of the endorsement holder's marijuana processor license. The endorsement renewal fee is eight hundred ninety-five dollars.

(d) A marijuana processor must obtain a separate endorsement for each location at which the marijuana processor intends to process marijuana-infused edibles. Premises used for marijuana-infused edible processing may not be used for processing food that does not use marijuana as an ingredient, with the exception of edibles produced solely for tasting samples or internal product testing.

(3) The department may deny, suspend, or revoke a marijuana-infused edible endorsement on the same grounds as the department may deny, suspend, or revoke a food processor's license under this chapter.

(4) Information about processors otherwise exempt from public inspection and copying under chapter 42.56 RCW is also exempt from public inspection and copying if submitted to or used by the department.

NEW SECTION. **Sec.**  The department of agriculture, state liquor and cannabis board, and department of revenue shall take the necessary steps to ensure that section 4 of this act is implemented on its effective date.

NEW SECTION. **Sec.**  Section 4 of this act takes effect April 1, 2018.

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