
Commerce & Gaming Committee

HB 1712

Brief Description: Establishing an endorsement to the marijuana retailer's license to authorize marijuana delivery services.

Sponsors: Representatives Sawyer and Condotta.

Brief Summary of Bill

- Establishes a marijuana delivery endorsement to the marijuana retailer's license that authorizes the holder to provide marijuana home delivery services to adults age 21 or over located in a local jurisdiction with an ordinance authorizing such deliveries.
- Authorizes orders for marijuana products to be placed over the telephone or Internet by an adult age 21 or over, and deliveries to be made to that same adult at a private residence, hotel, motel, or other lodging business, located in a jurisdiction with an authorizing ordinance.
- Requires the Liquor and Cannabis Board (LCB) to set the fee for the delivery endorsement to reflect the program's expected costs.
- Requires the LCB to subject each delivery endorsement holder to at least four random tests per year to ensure marijuana products are not delivered to people under age 21.
- Gives the LCB discretion and rulemaking authority to implement the program.

Hearing Date: 2/6/17

Staff: Peter Clodfelter (786-7127).

Background:

The Liquor and Cannabis Board (LCB) issues a marijuana retailer license that authorizes the holder to sell useable marijuana, marijuana-infused products, marijuana concentrates, (collectively "marijuana products") and paraphernalia intended for the storage of marijuana products, to adults age 21 and over. Marijuana retailers with a medical marijuana endorsement

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may also sell marijuana products to qualifying patients age 18 and over who hold a recognition card and are entered into the Medical Marijuana Authorization Database. All sales of marijuana products must be conducted in person at the premises of the marijuana retail outlet.

A person 21 years of age or older may possess any combination of the following amounts of marijuana products:

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

Qualifying patients age 18 and over who are entered into the Medical Marijuana Authorization Database and hold a recognition card may purchase at retail three times the recreational possession limits.

Summary of Bill:

An endorsement to the marijuana retailer's license is established that authorizes a retail outlet with the endorsement to perform home deliveries of marijuana products to adults, subject to restrictions. However, before an endorsement may be issued, the local jurisdiction in which the retail outlet is located must adopt an authorizing ordinance. A marijuana retail outlet with a delivery endorsement may deliver marijuana products to a person who is 21 years old or older at a private residence, hotel, motel, boarding house, resort, hostel, trailer camp, or similar lodging business, located in a local jurisdiction with an authorizing ordinance, and subject to restrictions.

The Liquor and Cannabis Board (LCB) has discretion in determining whether an applicant is qualified to receive a delivery endorsement. Also, after examining the overall characteristics of the commercial marijuana market in local jurisdictions with ordinances authorizing marijuana delivery services and the qualifications of applicants for the delivery endorsement, the LCB may limit the number of delivery endorsements issued or stop issuing delivery endorsements completely. The LCB must set the fee for the endorsement to reflect the program's expected costs. The fee may be subsequently adjusted to reflect the program's actual costs.

A retail marijuana outlet holding a delivery endorsement is limited to using two delivery vehicles per work shift. No marijuana advertising may be displayed on a delivery vehicle. Any person delivering marijuana products must be an owner or employee of the retail outlet and undergo training regarding proof of age identification and verification.

Orders for purchases and deliveries of marijuana products may be made over the telephone or the Internet, by a person age 21 or over. The purchaser may order not more marijuana products than the existing possession limits for adult recreational consumers. The owner or employee performing the delivery must confirm the validity of the purchaser's identification utilizing an electronic device or web-based application, as required by the LCB. The same person who places the order must receive the order.

The LCB must subject each marijuana retailer with a delivery endorsement to at least four random tests per year of operation to ensure that no marijuana products are delivered to a person

who is under age 21. The LCB may contract with local jurisdictions to perform some or all of the random tests.

The LCB is given rulemaking authority to implement the program. The rules must include the following:

- eligibility requirements for qualified licensed marijuana retailers;
- training requirements for owners or employees of marijuana retailers that hold a delivery endorsement who will deliver marijuana products;
- procedures for proof of age identification and verification;
- delivery vehicle requirements;
- security requirements;
- recordkeeping requirements;
- limits on the amounts of marijuana products and money that may be carried in a delivery vehicle;
- practices and procedures to ensure that marijuana products delivered are subject to the same traceability requirements that otherwise apply to marijuana products sold by marijuana retailers; and
- penalties for violations of the the delivery endorsement program requirements.

Appropriation: None.

Fiscal Note: Available.

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