

FINAL BILL REPORT

2SHB 2151

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Synopsis as Enacted

Brief Description: Reassigning the accreditation of private cannabis testing laboratories from the department of ecology to the department of agriculture.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Reeves, Chapman and Kloba; by request of Department of Agriculture).

House Committee on Regulated Substances & Gaming
House Committee on Appropriations
Senate Committee on Labor & Commerce

Background:

Pursuant to a 2019 law, agency authority and responsibility for accrediting cannabis testing laboratories is scheduled to be reassigned from the Liquor and Cannabis Board (LCB) to the Department of Ecology (DOE), effective July 1, 2024. The DOE will be authorized to determine, assess, and collect annual fees sufficient to cover the direct and indirect costs of implementing a cannabis product testing laboratory accreditation program, except for the initial program development costs.

Effective July 1, 2024, the DOE will be required to develop a fee schedule, to be reviewed and updated biennially, allocating the costs of the accreditation program among accredited laboratories and may establish a payment schedule. The fee schedule must be established in amounts to fully cover, but not exceed, the administrative and oversight costs.

The costs of laboratory accreditation include the following costs incurred by the DOE: costs incurred in undertaking the evaluation of laboratory protocols and procedures, performing on-site audits, evaluating proficiency testing, determining a laboratory's capability to produce accurate and reliable test results, and other accreditation activities. Initial program development costs must be fully paid from the Dedicated Cannabis Account. All fees collected must be deposited in the Dedicated Cannabis Account.

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.

On a schedule determined by the LCB, licensed cannabis producers and processors must submit representative samples of cannabis and cannabis products produced or processed by the licensee to an independent and accredited third-party testing laboratory. The purpose of testing is to certify compliance with quality assurance and product standards adopted by the LCB or the Department of Health. In conducting tests of cannabis product samples, testing laboratories must adhere to laboratory quality standards adopted by the Washington State Department of Agriculture (WSDA).

State law specifies that a sample must be destroyed if a representative sample of cannabis or a cannabis product inspected and tested by an independent, third-party testing laboratory does not meet the applicable quality assurance and product standards established by the LCB. Current LCB rules include possible ways for cannabis from which a failed sample has been taken to not be destroyed, such as allowing for remediation of cannabis failing quality assurance tests other than for pesticides, subject to additional quality assurance testing and other requirements.

Summary:

Effective July 1, 2024, the authority and responsibility for cannabis product testing laboratory accreditation requirements is reassigned to the WSDA, instead of being reassigned on that date from the LCB to the DOE.

The WSDA must, in consultation with the LCB, adopt rules by July 1, 2024, to implement the reassignment of authority and responsibility pertaining to cannabis laboratory accreditation. The WSDA may use expedited rulemaking to accomplish this task.

Several modifications are made to the authorizing language related to the annual fee that may be determined, assessed, and collected to administer the cannabis product testing laboratory accreditation requirements. Authority to determine, assess, and collect the fee is transferred to the WSDA. It is provided that the annual fee is to "support," instead of to be "sufficient to cover," the direct and indirect costs of implementing a cannabis product testing laboratory accreditation program.

Supporting the direct and indirect costs of implementing the laboratory quality standards program is also added to the fee authorization. The requirements related to the fee are removed that the fee schedule be established in amounts to fully cover, but not exceed, the administrative and oversight costs and the initial program development costs of the cannabis product testing laboratory accreditation program be fully paid from the Dedicated Cannabis Account.

Additionally, an exception is added to the requirement that the entire lot from which a sample was taken must be destroyed if a representative sample of cannabis or a cannabis product inspected and tested by an independent, third-party testing laboratory does not meet the applicable quality assurance and product standards established by the LCB. Destruction

is not required as may be provided by the LCB in rule.

Votes on Final Passage:

House	96	1
Senate	49	0

Effective: March 13, 2024
July 1, 2024 (Section 2)