# **Regulated Substances & Gaming Committee**

# SSB 5376

Brief Description: Allowing the sale of cannabis waste.

**Sponsors:** Senate Committee on Labor & Commerce (originally sponsored by Senators Stanford, Rivers, Keiser, Saldaña and Wilson, C.).

### **Brief Summary of Substitute Bill**

Permits a licensed cannabis producer or licensed cannabis processor to sell solid waste generated during cannabis production or processing under certain conditions.

**Hearing Date:** 2/14/24

Staff: Matt Sterling (786-7289).

#### **Background:**

The Liquor and Cannabis Board (LCB) licenses cannabis businesses in Washington and regulates activities related to cannabis. A licensed cannabis producer may produce, harvest, trim, dry, cure, and package cannabis into lots for sale at wholesale to cannabis processor licensees and to other cannabis producer licensees. A licensed cannabis processor may process, dry, cure, package, and label usable cannabis, cannabis concentrates, and cannabis-infused products for sale at wholesale to retailers and other cannabis processors.

#### Cannabis Waste Disposal.

The LCB rules require solid wastes, liquid wastes, and wastewater generated during cannabis production and processing to be stored, managed, and disposed of in compliance with the LCB rules and applicable state and local laws and regulations. The methods of disposable are different based on the type of waste and whether the waste is designated as dangerous and must

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be disposed of pursuant to the Hazardous Waste Management Act (HWMA). The waste generator is responsible for evaluating their waste to determine if it is designated dangerous waste. Some of the wastes that must be evaluated against the dangerous waste regulations include:

- waste from cannabis flowers, trim, and solid plant material used to create an extract;
- waste solvents used in the cannabis process;
- discarded plant waste, spent solvents and laboratory wastes from any cannabis processing or quality assurance testing; and
- cannabis extract that fails to meet quality testing.

Cannabis waste that is not designated as dangerous waste must be rendered unusable prior to disposal by grinding and incorporating the waste with other specified ground materials so the resulting mixture is at least 50 percent non-cannabis waste by volume. The LCB may approve other methods to render cannabis waste unusable. After the waste is rendered unusable, it must be properly disposed of at a permitted facility with approval of the jurisdictional health department and a record must be kept of the final destination of the cannabis waste.

#### Hazardous Waste Management Act.

The HWMA requires dangerous waste generators to properly dispose of waste at approved dangerous waste management sites and facilities. Persons who generate dangerous waste are responsible for identifying their wastes as such based on characteristics including the waste's corrosiveness, ignitability, toxicity, and reactivity. Dangerous wastes means any discarded, useless, unwanted, or abandoned substances, including, but not limited to certain pesticides, or any residues or containers of such substances which are disposed of in such quantity or concentration as to pose a substantial present or potential hazard to human health, wildlife, or the environment. Hazardous waste means all dangerous and extremely hazardous waste, including substances composed of both radioactive and hazardous components.

#### **Summary of Bill:**

#### Cannabis Waste Disposal.

Cannabis waste means solid waste that is generated during cannabis production or processing that has a tetrahydrocannabinol (THC) concentration of 0.3 percent or less and does not apply to hemp or industrial hemp. A licensed cannabis producer and a licensed cannabis processor may sell cannabis waste to a person not licensed by the LCB if:

- the cannabis waste would not be designated as dangerous or hazardous waste under the HWMA or the cannabis waste disposal rules adopted by the LCB; and
- the licensee notifies the LCB and the Department of Agriculture before the sale.

Cannabis waste that is not sold by a licensed producer or processor must be rendered unusable before leaving a licensed producer, processor, or laboratory.

#### Appropriation: None.

Fiscal Note: Available.

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