

FINAL BILL REPORT

SSB 5376

C 243 L 24
Synopsis as Enacted

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.).

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

Background: License Authorizations. The Liquor and Cannabis Board (LCB) licenses cannabis businesses in Washington. A cannabis producer licensee 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 cannabis processor licensee may process, dry, cure, package, and label usable cannabis, cannabis concentrates, and cannabis-infused products for sale at wholesale to cannabis processors and retailers.

Cannabis Waste Disposal Rules. Current LCB rules outline the methods by which solid and liquid wastes generated during cannabis production and processing must be stored, managed, and disposed of. The methods differ based on the type of waste and whether the waste is designated as dangerous under 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, and cannabis extract that fails to meet quality testing.

Cannabis waste that is not designated as dangerous waste must be rendered unusable 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. LCB may approve other methods to render cannabis waste unusable. After the waste is rendered unusable, it must

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be properly disposed of at a permitted facility.

Hazardous Waste Management Act. In implementing the HWMA, the Department of Ecology (Ecology) 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 and includes all dangerous and extremely hazardous waste, including substances composed of both radioactive and hazardous components.

Summary: Cannabis waste means solid waste generated during cannabis production or processing that has a THC concentration of 0.3 percent or less, and does not include hemp or industrial hemp.

A licensed cannabis producer and a licensed cannabis processor may sell cannabis waste to a person not licensed by LCB if:

- the cannabis waste would not be designated as dangerous or hazardous waste under the HWMA and any relevant rules adopted by Ecology and cannabis waste disposal rules adopted by LCB;
- the licensee notifies LCB and the Washington State Department of Agriculture before the sale, including in the notice, the quantity, sale price, and name of the person or entity that purchased the cannabis waste; and
- the licensee makes all sales of cannabis waste available to the public on an equal and nondiscriminatory basis.

Cannabis waste not sold in accordance with relevant laws must be rendered unusable before leaving a licensed producer, processor, or laboratory. Nothing prohibits cannabis producers and processors from selling cannabis waste to a person who is not licensed by the LCB if certain requirements for the transfer are satisfied. LCB may adopt rules to implement the bill.

Votes on Final Passage:

Senate	48	0	
House	94	2	(House amended)
Senate	48	0	(Senate concurred)

Effective: June 6, 2024