
**Consumer Protection & Business
Committee**

HB 1410

Brief Description: Concerning the suspension of inactive cannabis producer licenses.

Sponsors: Representative Low.

Brief Summary of Bill

- Requires the Liquor and Cannabis Board to suspend a cannabis producer's license if the license is inactive between July 1, 2023, and December 31, 2024.

Hearing Date: 2/4/25

Staff: Megan Mulvihill (786-7304).

Background:

The Liquor and Cannabis Board (LCB) issues cannabis licenses in Washington. A cannabis producer license authorizes a licensee to produce, harvest, trim, dry, cure, and package cannabis into lots for sale at wholesale to cannabis processors and other cannabis producers. A cannabis producer may produce and sell:

- cannabis plants, seeds, and plant tissue culture to other cannabis producer licensees; and
- immature cannabis plants or clones and seeds for sale to cooperatives, qualifying patients, designated providers, and licensed cannabis researchers.

A cannabis producer license is subject to an application fee of \$250, and the license must be renewed annually, with an annual fee of \$1,381. A separate license is required for each location at which a cannabis producer intends to produce cannabis. The LCB is currently not accepting new applications for cannabis producer licenses.

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.

Summary of Bill:

The LCB must suspend a cannabis producer license if no activity has been recorded on the license between July 1, 2023, and December 31, 2024. No activity refers to no business activity reported to the Department of Revenue. A license that is suspended must be reissued if:

- federal law allows for the interstate transfer of cannabis between authorized cannabis-related businesses; or
- the United States Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of cannabis between authorized cannabis-related businesses.

Appropriation: None.

Fiscal Note: Requested on January 20, 2025.

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