

SENATE BILL REPORT

HB 1341

As Reported by Senate Committee On:
Labor & Commerce, March 21, 2025

Title: An act relating to allowing the liquor and cannabis board to verify excise tax exemptions through the medical cannabis authorization database.

Brief Description: Concerning the medical cannabis authorization database.

Sponsors: Representative Wylie; by request of Liquor and Cannabis Board.

Brief History: Passed House: 3/10/25, 88-5.

Committee Activity: Labor & Commerce: 3/21/25 [DP, w/oRec].

Brief Summary of Bill

- Allows the Liquor and Cannabis Board to verify excise tax exemptions through the medical cannabis authorization database.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Saldaña, Chair; Conway, Vice Chair; King, Ranking Member; Alvarado, MacEwen, Ramos and Stanford.

Minority Report: That it be referred without recommendation.

Signed by Senators Braun and Schoesler.

Staff: Marlon Llanes (786-7423)

Background: Medical Cannabis Authorization Database. The medical cannabis authorization database is maintained by the Department of Health. Medical cannabis patients or designated providers who have a valid authorization may choose to join the database and receive a recognition card. The recognition card includes, among other things,

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the qualifying patient or designated provider's photograph and the amount of cannabis products the cardholder may possess. The database allows the Department of Revenue to verify tax exemptions under specified law.

Cannabis Excise Tax. The sale of cannabis is subject to a cannabis excise tax equal to 37 percent of the selling price of cannabis concentrates, useable cannabis, and cannabis-infused products. The tax is separate and in addition to general state and local sales taxes that apply to retail sales.

Medical Cannabis Tax Exemptions. Medical cannabis patients and designated providers who have been issued a recognition card are exempt from both the sales taxes and the cannabis excise tax on purchases of certain cannabis products, including products sold by retailers with a medical cannabis endorsement. The exemption from the cannabis excise tax expires on June 30, 2029.

Summary of Bill: The Liquor and Cannabis Board is permitted to verify specified excise tax exemptions through the medical cannabis authorization database.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: No public hearing was held.

Persons Testifying: N/A

Persons Signed In To Testify But Not Testifying: N/A