Washington State
Liquor and Cannabis Board

Liquor and Cannabis Board Revised Interim Policy BIP-01-2016

Subject: **Registered Cooperatives Purchasing Direct from Licensed Producers**

Effective Date: July 1, 2016

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Jane Rushford, Chair

Ruthann Kurose, Board Member

Purpose:
When SB 5052 passed during the 2015 legislative session, it created medical marijuana cooperatives allowing up to four patients to grow medicinal marijuana for their own use. However, the bill did not provide a legal pathway for these cooperatives to acquire plants to grow in the cooperative. Additionally, I-502 did not allow for the retail sale of plants directly to consumers.

HB 2520 was agency-request legislation to amend RCW 69.50.325 and 69.51A.250 to allow members of a registered cooperative to purchase marijuana plants directly from licensed producers for use in the cooperative to provide legal access to marijuana plants. The bill becomes effective July 1, 2016. This interim policy will provide guidance and clarity to licensed producers and members of registered cooperatives for the purchase of marijuana plants by members of registered cooperatives from licensed producers.

Policy Statement
(1) Medical marijuana patients who enter into the authorization database established and maintained by the Department of Health, receive a recognition card, and are members of a cooperative that has been granted a registration by the Washington State Liquor and Cannabis Board (WSLCB) may purchase marijuana plants to be grown in the cooperative from a licensed marijuana producer.

(2) Members of a cooperative who wish to purchase plants from a licensed producer must provide proof of identification in the form of a state-issued identification card, a valid recognition card, and a copy of the letter from the WSLCB confirming the person is part of a registered cooperative to be able to purchase marijuana plants from a licensed producer.

(3) Licensed producers must adhere to the requirements of WAC 314-55-083 when allowing entry to the licensed premises and conducting the sales with members of a registered cooperative.

(4) Due to the 24-hour waiting period required under WAC 314-55-083 for all transfers of marijuana plants, registered cooperative members who wish to purchase plants from a licensed producer must contact a licensed producer they wish to purchase from at least 24 hours in advance of arriving at the licensed producer's place of business to ensure the producer has plants available for sale and can allow for the required waiting period to pass prior to physically taking possession of marijuana plants the registered cooperative member is purchasing.

(5) Members of a registered cooperative, listed on the letter from WSLCB confirming the registration of the cooperative, must personally go to the licensed producer to complete the purchase and transfer of any marijuana plants purchased.

(6) The physical transfer of marijuana plants must take place on the premises of the licensed producer. Deliveries of marijuana plants by a licensed producer to members of a cooperative are prohibited.

(7) Sales tax applies to sales of plants by licensed producers to members of a registered cooperative. The marijuana excise tax does not apply to these sales.