



## Notice of Permanent Rules for 2016 Marijuana Legislation Implementation

**This explanatory statement concerns the Washington State Liquor and Cannabis Board's adoption of rules to implement legislation related to marijuana during the 2016 Legislative Session.**

The Administrative Procedure Act (RCW 34.05.325(6)) requires agencies to complete a concise explanatory statement before filing adopted rules with the Office of the Code Reviser. This statement must be provided to anyone who gave comment about the proposed rulemaking.

The Liquor and Cannabis Board appreciates your involvement in this rule making process. If you have any questions, please contact Joanna Eide, Rules and Policy Coordinator, at (360) 664-1622 or e-mail at [rules@lcb.wa.gov](mailto:rules@lcb.wa.gov).

---

### What are the agency's reasons for adopting this rule?

This rulemaking amends rules in Chapter 314-55 WAC, marijuana licenses, application process, requirements, and reporting, to implement 2016 Marijuana Legislation and make other needed technical changes. These rule changes implement changes made to law in the following bills:

- HB 2520, Concerning the sale of marijuana to regulated cooperatives; and
- HB 2521, Allowing for the proper disposal of unsellable marijuana by a licensed marijuana retail outlet.

The following changes to rules were made in this rulemaking:

#### **Amendatory section. WAC 314-55-075 What is a marijuana producer license and what are the requirements and fees related to a marijuana producer license?**

Minor changes to rule language to clarify that producers may sell plants to members of a registered cooperative.

#### **Amendatory section. WAC 314-55-079 What is a marijuana retailer license and what are the requirements and fees related to a marijuana retailer license?**

Minor changes to rule language to allow retailers to dispose of marijuana (as allowed by HB 2521 listed above) so long as they follow the disposal requirements provided in WAC 314-55-097.



**Amendatory section. WAC 314-55-410 Cooperatives.**

HB 2520 changed state law to allow members of a cooperative to purchase plants from producers. Rule amendments are proposed to provide guidance and requirements for producers and members of registered cooperatives purchasing plants from licensed producers. Added language includes proof of membership in a cooperative and identification requirements, provisions related to the 24 hour hold prior to transferring plants, requirements that the transfer of plants be performed at the producer's licensed premises, and prohibiting deliveries of plants.

---

**Summary of public comments received on this rule proposal.**

**CR-101** – filed April 20, 2016, as WSR 16-09-116.

**CR 102** – filed July 27, 2016, as WSR 16-16-051.

Public Hearing held September 7, 2016.

**Written Comments Received:**

The WSLCB received several phone call and email inquiries seeking clarification on the contents of this rulemaking. The comments received are enclosed as part of this Concise Explanatory Statement. No other written comments were received as part of this rulemaking.

**WSLCB response:** See enclosed.

**Was the comment reflected in the final rule?** The final rules were not changed from proposed rule to adopted rule.

**Public Hearing Comments:**

No public testimony was offered at the public hearing on September 7, 2016.

**WAC Changes from Proposed Rules (CR-102) to the Rules as Adopted:**

None. The rule was adopted without any changes to the proposed rules from the CR-102 filing.