

#### CR 103 Memorandum

### Cannabis Samples Rulemaking (WAC 314-55-096)

Date: March 26, 2025

Presented by: Justin Nordhorn, Director of Policy and External Affairs

# Background

On August 31, 2022, the Washington State Liquor and Cannabis Board (LCB) <u>accepted</u> a petition for rulemaking submitted by Vicki Christopherson, on behalf of the Washington Association of Cannabis Businesses (WACA) requesting the Board consider rulemaking to amend <u>WAC 314-55-096</u> regarding vendor, educational, and internal quality samples (cannabis samples) to streamline the existing framework.

The rulemaking was initiated on March 1, 2023, and the CR-101 was filed as WSR 23-06-079. An informal public comment period was open until April 13, 2023, during which time many stakeholders reached out and provided comments on ways to improve the sampling rule, such as the elimination of vendor samples, relaxation of quality control sample restrictions, and the need for larger sample sizes.

#### **Public Engagement**

The project team consists of representation from the Attorney General's Office, Enforcement & Education division, Licensing division, and the Finance division. An in-person discussion was held on March 9, 2023, and included direct engagement with industry members. The LCB sent stakeholder surveys in July 2023 and held virtual collaborative rulemaking discussions in October 2023, which included a PowerPoint linked here.

#### Initial Rule Proposal (CR-102 filed Aug. 14, 2024).

On Aug. 14, 2024, the Board approved filing of the CR-102 of proposed rules, filed as WSR 24-17-051. The memorandum included with the filing can be found here along with hundreds of pages of attached materials. The goals of the initial proposed files, as stated in the CR 102 memo, are repeated here:

 Unified Sample Category - 'Trade Samples': This category merges vendor and educational samples to reduce regulatory complexity and better align with industry practices.

- 2. **Representative Sample Sizes**: Ensures that trade samples reflect the smallest marketable product size to accurately represent consumer products, aiding in more informed business decisions.
- 3. **Quarterly Provision Limits**: Transitioning to quarterly limits accommodates the operational cycles of producers, particularly those with seasonal outdoor production schedules.
- Equivalency Standards for Different Product Types: Standard limits across various product types ensure fair and consistent sampling practices.
- 5. **Traceability and Recordkeeping**: All trade samples must be documented in the state's traceability system, including detailed records of product type, trade name, and the receiving licensee. This ensures transparency and facilitates compliance monitoring.
- 6. **Designated Storage Areas**: Trade samples must be stored in designated areas separate from non-sample inventory. This separation is crucial for preventing contamination and ensuring samples are easily identifiable for audit and compliance checks.
- 7. **Employee Sampling**: Employees of licensees can receive up to 16 trade sample units per calendar quarter. These samples must be used strictly for educational purposes and are not to be used as compensation or incentives.
- 8. **Limits on Sample Distribution**: Producers can distribute up to 96 trade sample units of cannabis per calendar quarter to processors, allowing comprehensive product assessment. Processors may provide up to 120 trade sample units of various cannabis products to retailers per quarter, facilitating extensive staff training and product familiarization.
- 9. **Sample Jar Modifications**: Changes include requirements for sample jars to be transparent, allowing customers to view and smell the product. This modification enhances consumer interaction with the product without compromising safety.

# Supplemental Rule Proposal (CR-102 filed January 29, 2025)

Following the proposed rules filing, a public comment period was open until the public hearing held on October 9, 2024. During this period, eight comments were received. Based on the feedback both during the public hearing and via the public comment period, agency staff sought further industry feedback on potential ways to revise the proposed rules to better serve agency and industry goals, while maintaining public health and safety objectives. Many conversations occurred with licensees and stakeholders between October and December 2024.

The Supplemental CR-102 was filed on January 29, 2025 and filed as <u>WSR 25-04-042</u>. It made the following changes to the initial CR-102 filed as <u>WSR 24-17-051</u>:

- 1. **Display of Trade Sample Jars:** Language was added to WAC 314-55-096(1)(j) to clarify that trade samples jars can be displayed at retailers near the product it is a sample of.
- 2. Increase of Trade Sample Allowance per Employee: Based on stakeholder feedback, the quarterly allotment per employee for trade samples was increased from 15 per quarter to 30 per quarter. As a quarter lasts three months, this comes out to roughly 10 samples per month, or 5 every 14 days. This addresses concerns of daily or near daily use. A goal of the rulemaking has always been to stay away from providing daily samples to employees, as an attempt to not encourage daily or near daily consumption.
- 3. Increased Distinction Between Trade Samples and Internal Quality Control Samples: Clarified that trade samples and internal quality control samples are different in several relevant ways, and highlighting that, for example, internal quality control sample do not need to comply with packaging and labeling requirements in 314-55 WAC. Also clarified that internal quality control samples are not the same thing as samples described in WAC 314-55-101 used for testing to comply with WAC 314-55-102 and WAC 314-55-109. Additional recognition of the distinction between trade and internal quality control samples required new definitions of the relevant sample unit size requirements for internal quality control samples.
- 4. Reduced Permitted Sample Limits for THC Concentrates: In recognition of the relevant THC disparity between concentrates and other cannabis products, the rules now specify the relevant thresholds for THC concentrates when it comes to employee allotment of samples.
- 5. Moved from "per harvest" and "per batch" metric to "per employee:"
  Based on internal and stakeholder feedback, measuring producer samples by "per harvest" and processor samples by "per batch" was replaced with a universal measurement for "per employee per quarter" over concerns of enforceability and practicality regarding traceability and compliance. The "per employee" approach was a recommendation from licensee stakeholders.
- 6. Added time for licensees to use old samples, labels, and jars: The revised rule language states that all samples previously known as educational, or vendor samples have to be disposed of by Sept. 1, 2025. This will allow licensees to use up previously made jars, labels, and samples without having to dispose of many samples for sunk costs.

The public hearing on the Supplemental CR-102 was held on March 12, 2024. No stakeholders testified at that hearing and no stakeholders provided written comment during the formal comment period.

Variance between proposed rule (CR-102) and final rule:

No changes have been made to the proposed rule language included with the Supplemental CR 102.

# Rule Implementation (RCW 34.05.328(3)(a))

## <u>Informing and Educating Persons Impacted by the Rule (RCW 34.05.328(3)(b))</u>

To help inform and educate persons impacted by the rule, the LCB will:

- Email notice with the adoption materials to persons who commented on the rules, the rule making and licensee distribution lists, and the general LCB GovDelivery list;
- Post rule adoption materials, including final rule language, response to comments, final analysis (Concise Explanatory Statement), and any other relevant documents on the rulemaking webpage for public access.

### Promoting and Assisting Voluntary Compliance (RCW 34.05.328(3)(c))

LCB will promote and assist voluntary compliance through technical assistance.

- LCB staff are available to respond to phone and email inquiries about the rules.
- Agency leadership and staff have actively participated in rule development and revisions and are familiar with the final product. Internal and external education efforts to share knowledge and assure consistent application of rule will be supported.
- Rule and guidance documents will be available on the LCB website.
- LCB will use available and customary resources to disseminate materials and information to all persons impacted by the rules.

These actions are designed to inform and educate all persons impacted by the rules to support and promote voluntary compliance.

# Training and Informing LCB Staff

Several LCB staff responsible for implementing these adopted rules work directly with impacted parties and are already familiar with the nuances of the rule changes. Additional internal guidance documents may be prepared as necessary. The LCB will also consider:

- Provision of internal and external training and education, as needed. potentially including webinars, training, and videos if appropriate;
- Coordinating and centrally locating decisions to assure consistency between agency, staff, and industry.

# Rule Effectiveness Evaluation (RCW 34.05.328(3)(d))

After the rule becomes effective, the LCB will evaluate the effectiveness of this rule in the following ways, including but not limited to:

- Monitoring questions received after the effective date of this rule, and adjusting training and guidance accordingly;
- Monitoring the number of enforcement actions, including type, resolution, and the outcome;
- Monitoring the number of requests for rule language revisions or changes;
- Monitoring the number of requests for rule interpretation;
- Monitoring licensee feedback including, but not limited to, the number of requests for assistance.

Date:	March 26, 2025						
То:	Jim Vollendroff, Board Chai Ollie Garrett, Board Membe Pete Holmes, Board Membe	r					
From:	Justin Nordhorn, Director of	Nordhorn, Director of Policy and External Affairs					
Сору:	Will Lukela, Agency Director Toni Hood, Agency Deputy Director Lawerence Grant, Director of Enforcement and Education Becky Smith, Director of Licensing Kevin Walder, Rules & Policy Manager						
Subject:	Board approval to adopt final rules on Cannabis Samples						
The Director of Policy and External Affairs requests Board approval to file a CR-103 adopting final rules to amend <u>WAC 314-55-096</u> on cannabis samples. This amended rule will be effective April 26, 2025.							
The Board has been briefed on the rule development background and public comments received on this rulemaking. The CR-103 memorandum, CR-103 form, concise explanatory statement, and final rules for adoption are attached.							
If final rules are approved for filing, the concise explanatory statement will be sent to any person upon request and stakeholder who submitted written comment or provided oral testimony on the supplemental rule proposal.							
Appro	ve Disapprove	Jim Vollendroff, Board Chair	Date				
Appro	ve Disapprove	Ollie Garrett, Board Member	Date				

\_ Approve

Date

Pete Holmes, Board Member

\_\_\_\_\_ Disapprove

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# RULE-MAKING ORDER PERMANENT RULE ONLY

# **CR-103P (December 2017)** (Implements RCW 34.05.360)

Agency: Washington State Liquor and Cannabis Board
Effective date of rule: Permanent Rules  □ 31 days after filing. □ Other (specify) _ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)
Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?  ☐ Yes ☑ No If Yes, explain: .
<b>Purpose:</b> The Washington State Liquor and Cannabis Board (Board) has amended the cannabis samples rule at WAC 314-55-096 to simplify application, ease understanding, and relax requirements for cannabis licensees. This rulemaking is the result of a petition for rulemaking accepted in August 2022.
Citation of rules affected by this order:  New: Repealed: Amended: WAC 314-55-096 Suspended:
Statutory authority for adoption: RCW 69.50.342; RCW 69.50.345
Other authority:
PERMANENT RULE (Including Expedited Rule Making)  Adopted under notice filed as <u>WSR</u> 25-04-042 on January 29, 2025_ (date).  Describe any changes other than editing from proposed to adopted version: [None].
If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:
Name: Daniel Jacobs, Rules & Policy Coordinator Address: 1025 Union Avenue SE, Olympia WA 98501 Phone: 360-480-1238 Fax: 360-664-3208 TTY: Email: rules@lcb.wa.gov Web site: www.lcb.wa.gov Other:

# Note: If any category is left blank, it will be calculated as zero. No descriptive text.

Count by whole WAC sections only, from the WAC number through the history note.

A section may be counted in more than one category.

•		3 ,	
The number of sections adopted in order to comply	with:		
Federal statute:	New	Amended	Repealed
Federal rules or standards:	New	Amended	Repealed
Recently enacted state statutes:	New	Amended	Repealed
The number of sections adopted at the request of a	nongovernment	al entity:	
	New	Amended	Repealed
The number of sections adopted on the agency's o	wn initiative:		
	New	Amended 1	Repealed
The number of sections adopted in order to clarify,	streamline, or re	form agency proced	dures:
	New	Amended	Repealed
The number of sections adopted using:			
Negotiated rule making:	New	Amended	Repealed
Pilot rule making:	New	Amended	Repealed
Other alternative rule making:	New	Amended 1	Repealed
Date Adopted: March 26, 2025	Signature:	Dlago sign	oturo horo
Name: Jim Vollendroff		Place sign	ature riere
Title: Board Chair			

- WAC 314-55-096 ((Vendor, educational)) Trade samples, retail display samples, and internal quality control samples. (1) ((Vendor)) Trade samples: ((Producers or processors may provide free)) Trade samples are samples of useable cannabis, cannabis-infused products, and cannabis concentrates ((to negotiate)), as described in this section, provided for free for the purpose of negotiating a sale and providing education to budtenders engaged in selling cannabis products at retail.
- (a) Trade samples may be provided by a producer to a processor, or by a processor to a retailer.
- (b) Trade samples must be provided free of charge to the receiving licensee.
- (c) Trade samples may only be provided to a licensee that has requested the trade sample or is consenting to receiving the trade sample.
  - (d) Trade samples may be used for:
- (i) Negotiating a sale on product ((the retail licensee does not currently carry. All vendor sample limits are)) not currently carried by the cannabis licensee;
- (ii) Educating budtenders on new products the cannabis retailer has not previously offered for sale to the public; and
- (iii) Educating new budtenders on existing products the retailer sells.
  - (e) A trade sample unit must:
- (i) Be representative of the product being offered for sale on the market;
- - (iii) Not exceed the following amounts per unit:
  - (A) 3.5 grams of cannabis;
  - (B) One gram of cannabis concentrate;
- (C) 100 milligrams of cannabis-infused product in solid or liquid form meant to be ingested orally, applied topically, or otherwise taken into the body containing not more than 10 milligrams of active delta-9 THC per serving consistent with the limits provided in WAC 314-55-095.
- (f) The limits on the amount of trade samples offered to cannabis licensees are based on calendar ((months)) quarters.
- (i) Producers may not provide any one licensed processor more than 96 trade sample units of cannabis flower per calendar quarter.
- (ii) Processors may not provide any one licensed retail business more than 120 trade sample units of any combination of useable cannabis, cannabis concentrates, or cannabis-infused products per calendar quarter.
  - (q) The producer or processor must:
- (i) Record the amount of each ((vendor)) trade sample provided by product type and the ((processor or retailer receiving the sample)) trade name of the receiving licensee in the state's traceability system((. The outgoing sample must be clearly labeled));

  (ii) Clearly label each outgoing sample as a "((vendor)) trade
- (ii) Clearly label each outgoing sample as a "((vendor)) trade sample" ((to negotiate a sale and recorded)) and itemize trade samples on a separate transport manifest from products intended for resale;

- All trade samples must be packaged and labeled in accordance with the requirements in chapter 314-55 WAC, and include an additional label affixed to the package with the following statement in a style or type of lettering that is bold, clear, and conspicuous when compared with other type, lettering or graphics, and does not obscure other required labeling information: "TRADE SAMPLE NOT FOR RESALE OR DONATION."
- (iii) Locate and store all trade samples in a designated area on the licensed premises, separate from nonsample products being sold to another licensee;
- (iv) Not provide trade samples as a condition for a retailer to purchase the producer or processor's products or in any manner that would cause undue influence over another licensee or industry member;
- (v) Provide the licensee receiving trade samples of cannabis with the certificate of analysis for all quality assurance and quality control tests conducted on the lot or batch from which the sample was derived;
- (vi) Disclose all chemicals applied to the growing medium and the plants during production and or processing as applicable including, but not limited to, pesticides, fungicides, herbicides, rodenticides, nutrients, fertilizers, and pH control; and (vii) Disclose all solvents and other chemicals, that were used
- (vii) Disclose all solvents and other chemicals, that were used during the processing of a cannabis concentrate or cannabis-infused product including, but not limited to, additives and ingredients.
- $\underline{\mbox{(h)}}$  The receiving licensee must receive the (( $\overline{\mbox{vendor}})$ )  $\underline{\mbox{trade}}$  sample in the traceability system prior to sampling.
- ((\(\frac{(a) Vendor}{)}\)) (i) Trade samples may only be given to and used by licensees or current paid employees of ((\(\frac{licensees who have product ordering authority or employees who provide input on product to licensees or employees of licensees who have purchasing authority to inform purchasing decisions)) the licensee as detailed in a licensee's written business policy.
- (((b) Producers may not provide any one licensed processor more than eight grams of cannabis flower per month free of charge for the purpose of negotiating a sale.
- (c) Processors may not provide any one licensed retailer more than eight grams of useable cannabis per month free of charge for the purpose of negotiating a sale.
- (d) Processors may not provide any one licensed retailer more than eight units of cannabis-infused products in solid form meant to be ingested orally or otherwise taken into the body per month free of charge for the purpose of negotiating a sale. No single unit may exceed 10 mg of THC.
- (e) Processors may not provide any one licensed retailer more than eight units of cannabis-infused product in liquid form meant to be eaten, swallowed, or otherwise taken into the body per month free of charge for the purpose of negotiating a sale. No single unit may exceed 10 mg of THC.
- (f) Processors may not provide any one licensed retailer more than eight units of cannabis-infused products meant to be applied top-ically per month free of charge for the purpose of negotiating a sale.

  (g) Processors may not provide any one licensed retailer more
- (g) Processors may not provide any one licensed retailer more than two units of cannabis-infused extract meant for inhalation or infused cannabis mix per month free of charge for the purpose of negotiating a sale. No single unit may exceed 0.5 g.
- (h) A cannabis producer must make quality assurance test results available to any processor receiving samples to negotiate a sale. The

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producer must also provide a statement that discloses all pesticides applied to the cannabis plants and growing medium during production.

- (i) A cannabis processor must make quality assurance test results available to any retailer receiving samples to negotiate a sale. If a cannabis extract was added to the product, the processors must disclose the type of extraction process and any solvent, gas, or other chemical used in the extraction process, or any other compound added to the extract.
- (j) Vendor sample labeling: All vendor samples must be clearly labeled as a vendor sample and meet all labeling requirements of the product to be sampled.
- (i) The unique identifier number generated by the traceability system;
- (ii) The UBI number of the licensed entity providing the sample; and
- (iii) Weight of the product in ounces and grams or volume as applicable.
- (2) Education sampling. Processors)) Trade samples may not be sold, nor provided as employee compensation, incentive, or reward. Trade samples may only be given free of charge to paid employees of the licensed business.
  - (j) Cannabis retailers:
- (i) Must not require a producer or processor to provide free trade samples as a condition for purchasing a licensee's products or in any manner that would cause undue influence over another licensee or industry member.
- (ii) Must locate trade samples in a designated area on the licensed premises, separate from nonsample products for resale, and be clearly identified as trade samples. Sample jars, as described in subsection (4) of this section, may be displayed and located on the counter for customers to be able to smell the sample.
- <u>(iii) May provide free trade</u> samples of useable cannabis, cannabis-infused products, and cannabis concentrates to ((retail licensees to give to the licensee's)) current paid employees ((for educational purposes. Products being sampled must be carried by)) of the licensed retailer. ((The processor))
- (iv) Must track all incoming and outgoing trade sample inventory in the state traceability system by product type.
- (v) Must record the <u>sample</u> amount ((of each sample and the retailer receiving the sample)) being provided to each employee in the traceability system <u>including the product type and the name of the employee receiving the sample</u>. ((The outgoing sample must be clearly labeled as "education sample" and recorded on a transport manifest. Once the retailer receives the))
- (vi) Must not provide more than 30 trade sample((, the retailer must accept the sample in the traceability system prior to distributing samples to the retailer's employees. All employees at a licensed retail location who receive educational samples must be entered into the traceability system for the purpose of distributing education samples.
- (a) Retailers are restricted to receiving a maximum of 100 sample units per calendar month. No more than 10 sample units may be provided to any one employee per calendar month.
  - (b) The maximum size of education samples are:
- (i) Useable cannabis, cannabis mix, and infused cannabis mix One unit not to exceed 0.5 g.

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- (ii) Cannabis infused solid or liquid product meant to be ingested orally or otherwise taken into the body One unit not to exceed 10 mg THC.
- (iii) Cannabis-infused extract for inhalation One unit not to exceed 0.25 g.
- (iv) Cannabis-infused products for topical application One unit not to exceed 16 ounces.
- (c) Distribution and consumption of all educational samples is limited to retail employees who directly sell product to retail customers. Retail employees who are not involved in direct sales to customers are not eligible for education samples.
- (d) Cannabis retail licensees are prohibited from providing educational samples to their employees as a form of compensation.
- (e) A cannabis processor must make quality assurance test results available to any retailer receiving education samples. If a cannabis extract was added to the product, the processors must disclose the type of extraction process and any solvent, gas, or other chemical used in the extraction process, or any other compound added to the extract.
- (f) Education sample labeling: All education samples must be clearly labeled "education sample" and include the following information on the label:
- (i) The unique identifier number generated by the traceability system;
- (ii) The UBI number and trade name of the licensed entity providing the sample;
  - (iii) Product name or strain name for useable cannabis;
- (iv) Weight of the product in ounces and grams or volume as applicable; and
  - (v) Potency labeled as required under WAC 314-55-105.
- (3) A cannabis processor is not required to provide free samples to negotiate a sale or educational samples to a cannabis retail licensee, and a cannabis retail licensee may not require a cannabis processor to provide free sample to negotiate a sale or educational samples as a condition for purchasing the cannabis processor's products.
  - (4))) units to any one employee within a calendar quarter.
  - (2) Retailers may not provide free samples to customers.
- (3) Internal quality control sampling: Producers and processors may conduct limited self-sampling for internal quality control. Internal quality control samples are not the same type of samples referred to in WAC 314-55-101, which are submitted to laboratories for testing purposes as described in WAC 314-55-102 and 314-55-109. All sample limits are based on calendar ((months)) quarters. Consuming samples for internal quality control may not take place ((at a)) on the licensed premises. Internal quality control samples do not need to comply with packaging and labeling requirements in chapter 314-55 WAC. Only the producer, processor, or their paid employees ((of the licensee)) may sample ((the)) cannabis flower, useable cannabis, cannabis-infused products, cannabis concentrates, and edible cannabis-infused product. The producer or processor must record the amount of each sample and the employee(s) conducting the sampling in the state's traceability system.
- (a) For purposes of this subsection, an internal quality control sample unit means:
  - (i) One gram of cannabis flower;
  - (ii) One gram of useable cannabis;

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- (iii) 10 mg of THC in a cannabis-infused product in edible or liquor form;
- (iv) One gram of cannabis concentrate including, but not limited to, infused joints, vapor products, and dabs;
- $((\frac{b}{b}))$  <u>(c)</u> Processors may  $(\frac{sample one unit per batch of a new cannabis-infused product meant to be ingested orally or otherwise taken into the body to be offered for sale on the market.$
- (c) Processors may sample up to one unit per batch of a new cannabis-infused extract for inhalation to be offered for sale on the market. No single sample may exceed 0.5 g.
- (d) Processors may sample one unit per batch of a new cannabis mix packaged to be offered for sale on the market. No single sample may exceed 1 q.
- (e) Processors may sample one unit per batch of a new infused cannabis mix to be offered for sale on the market. No sample may exceed  $0.5~\rm g.$
- (f) Processors may sample one unit per batch of a new cannabis-infused product for topical application to be offered for sale on the market. No sample may exceed 16 ounces.
  - (5) Retailers may not provide free samples to customers.
- (6))) provide up to 50 internal quality control sample units per employee, per calendar quarter, for internal quality control.
- (i) Sample units may be provided to processor employees in any combination not to exceed a total of 50 units per calendar quarter.
- (ii) Processors may not provide any one employee more than 25 sample units of cannabis concentrates per calendar quarter.
- (iii) A one gram unit of cannabis concentrates may be a combination of any concentrate product.
- (d) Licensees holding a producer and processor license at the same location are limited in providing a total of 50 internal quality control sample units combined per employee, per calendar quarter.
  - (4) Sample jars for retail display:
- (a) All sample jars for retail display must be labeled with the following:
- (i) Information identifying it as a sample jar for display purposes;
- (ii) The UBI number of the licensed entity providing the sample; and
- (iii) Weight of the product in ounces and grams or volume as applicable.
- (b) A processor may provide a retailer free samples of useable cannabis packaged in a <u>transparent</u> sample jar protected by a plastic or metal mesh screen to allow customers to <u>view and</u> smell the product before purchase. The sample jar may not contain more than ((three and one-half)) 3.5 grams of useable cannabis. The plastic or metal mesh screen must be sealed onto the container, and must be free of rips, tears, or holes greater than 2 mm in diameter.
- (c) Neither the sample jar ((and)) or the useable cannabis within may ((not)) be sold, transferred, given away, or otherwise provided to a customer ((and must be returned to the licensed processor who provided the useable cannabis and sample jar.
- (b) Sample jar labeling: All sample jars must be labeled with the following:

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- (i) The unique identifier number generated by the traceability system;
- (ii) Information identifying whether it is a vendor sample or sample jar;
- (iii) The UBI number of the licensed entity providing the sample; and
- (iv) Weight of the product in ounces and grams or volume as applicable.
- (c) A cannabis processor must make quality assurance test results available to any retailer receiving sample jars. The processor must also provide a statement that discloses all pesticides applied to the cannabis plants and growing medium during production.
- (d) If a cannabis extract was added to the product, the processor must disclose to the retailer the type of extraction process and any solvent, gas, or other chemical used in the extraction process, or any other compound added to the extract)).
- (d) Any useable cannabis no longer needed for display in sample jars may either be:
- (i) Given to paid employees of the retailer free of charge. The sample amount must be recorded in the state's traceability system and will count towards the employees maximum sample limit described in (1)(j)(vi) of this section;
- (ii) Disposed in accordance with the requirements in WAC 314-55-097 and recorded in the state's traceability system, consistent with WAC 314-55-083; or
- (iii) Returned to the processor that provided the sample, to be disposed in accordance with WAC 314-55-097 and recorded in the state's traceability system, consistent with WAC 314-55-083.
- $((\frac{7}{1}))$   $\frac{5}{1}$  **Transportation.** Outgoing and return  $(\frac{1}{1})$   $\frac{1}{1}$  samples and sample jars must adhere to the transportation requirements in WAC 314-55-085.
- (6) By September 1, 2025, all samples previously identified as vendor or educational samples must be disposed of according to the standards identified in WAC 314-55-097.

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### Notice of Permanent Rules - Cannabis Samples Rulemaking

# **Concise Explanatory Statement**

This concise explanatory statement concerns the Washington State Liquor and Cannabis Board's (LCB) adoption of rule amendments to the cannabis samples rule at WAC 314-55-096.

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. The concise explanatory statement must be provided to any person upon request, or from whom the LCB received comment.

The LCB appreciates and encourages your involvement in the rule making process. If you have questions, please e-mail at <a href="mailto:rules@lcb.wa.gov">rules@lcb.wa.gov</a>.

#### Background and reasons for adopting these rules:

On August 31, 2022, the Washington State Liquor and Cannabis Board (LCB) <u>accepted</u> a petition for rulemaking submitted by Vicki Christopherson, on behalf of the Washington Association of Cannabis Businesses (WACA) requesting the Board consider rulemaking to amend WAC 314-55-096 regarding vendor, educational, and internal quality samples (cannabis samples) to streamline the existing framework.

The project team consists of representation from the Attorney General's Office, Enforcement & Education division, Licensing division, and the Finance division. An inperson discussion was held on March 9, 2023, and included direct engagement with industry members. The LCB sent stakeholder surveys in July 2023 and held virtual collaborative rulemaking discussions in October 2023, which included a PowerPoint linked here.

Detailed explanation of what changes the final rule makes can be found with the supplemental CR-102 materials.

#### Rulemaking history for this adopted rule:

**CR 101** – filed March 1, 2023, as <u>WSR #23-06-079</u> **CR 102** – filed August 14, 2024, as <u>WSR #24-17-051</u>
Public hearing held October 9, 2024 **Supplemental CR 102** – filed January 29, 2025, as <u>WSR #25-04-042</u>
Public Hearing held March 12, 2025

The effective date of this amended rule is April 26, 2025.

No public comments were submitted on the Supplement CR 102 rule proposal in the time leading up to the public hearing.