



## Notice of Permanent Rules

**Regarding Amendment to WAC 314-55-097 – implementing SSB 5376 regarding sales of cannabis waste.**

**This concise explanatory statement concerns the Washington State Liquor and Cannabis Board (LCB)'s adoption of amendments to WAC 314-55-097.**

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 contact Jeff Kildahl, Policy and Rules Coordinator, at [rules@lcb.wa.gov](mailto:rules@lcb.wa.gov).

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

The Liquor and Cannabis Board (LCB) has amended WAC 314-55-097 to implement to allow for selling of cannabis waste containing 0.3% THC or less under certain conditions to persons who are not cannabis licensees.

The rule amendments necessary to implement [Substitute Senate Bill 5376](#), which is codified at [RCW 69.50.3255](#).

The rulemaking amends [WAC 314-55-097](#). Detailed explanation of what changes the final rules makes can be found in the CR 103 memo and the CR 102 materials.

### **Rulemaking history for this adopted rule:**

**CR-101:** Filed May 22, 2024, as [WSR #24-11-158](#)

**CR-102:** Filed Jan. 15, 2025], as [WSR #25-03-080](#).

**Public Hearing:** February 26, 2025.

**The effective date of this amended rule is April 13, 2025.**

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### **Public comment received on the rule proposal:**

There were four written public comments received prior to the public hearing held February 26, 2025:

#### **1. Alison Sheafor via email on January 16, 2025**

Dear LCB,

I recently saw that you are considering some amendments to the cannabis waste requirements in WAC 314-55-097 concerning the sale of cannabis waste. I ask that you also consider an adjustment to the requirement to grind up the cannabis waste before mixing it with some other media, such as dirt, wood chips, etc. I understand and accept that the waste needs to be buried and/or mixed with something to make it “unusable”. I realize it’s easy to shred the strong stalks, but the challenge we have is the grinding/shredding of the green leaves.

We take large amounts of off of the plants in the beginning of the growing process to provide light to the plant. (This is sometimes called “lolly-popping”.) This is done before trichomes or flowers form. These leaves are useless to anyone (except maybe a composter who would like to add nitrogen to their compost). It is impossible to dump trashcans full of leaves into a shredder. Trying to shred handful after handful of wet, green leaves in a shredder is a very dangerous process. Shredders that shred leaves are designed for dry tree leaves, not the soft, wet green leaves we deal with. We’ve had to take the protective guards off of the expensive shredder we purchased just to get the leaves to go in, and often have to poke at them with a stick. The wet leaves constantly clog the shredder. We have designated one person we trust to do this (an owner), because we feel it is too dangerous for the rest of the crew. Again, we have no problem mixing the leaves with 50% soil or wood chips, burying the leaves so they are entirely useless...even though I am pretty sure they are unusable in the sense that is of concern.

The grinding/shredding is a hazardous and time consuming requirement here at the farm. I request that you consider taking the words “ground up” out of the requirement. Or maybe you could write that stalks need to be ground up and covered with a medium, and leaves need to be buried or mixed with something similar to soil or wood chips to make them unusable. Another option would be that the grinding requirement could have a size attached to it, such as “plant waste needs to be ground so that it is smaller than 6” in any direction.” That would eliminate the requirement to shred single leaves.

On a side note, what is “useable” about a cannabis stalk? Has there been any research done on this? I personally don’t consume cannabis. When I first got this job I was surprised to find that no one smokes the leaves, it’s the flower that is coveted. (I still get teased about this.) Of course, the trim off of the flower and the small leaves next to the flower have trichomes on them, and I hear this trim is useable for certain processes that are done in labs, but what use is the stalk? What use are the green leaves from the bottom of the plant? I’m just curious, and would be happy to be educated on this matter.

Thank-you so much for your consideration,  
Alison

**LCB Response:**

Good morning Alison,

Thank you for your message regarding cannabis waste. In the stakeholder meeting on this topic there was mention among participants about a changing this requirement in the future through creating new legislation that would not require waste to be destroyed for disposal.

I hear what you are saying about destroying the green plant waste. Sound a lot like green grass clippings.

The bill 5376 passed the legislature and is now [rcw 69.50.3255](#) and requires the waste for disposal to be rendered unusable.

Are the leaves you mention above 0.3% THC?

Sincerely,  
Jeff

**Was the comment reflected in the adopted rule? No.**

**2. John Nolan, via email on January 16, 2025**

Mr. Kildahl, good morning. Can you email your tentative timeline when the sale of waste to non-cannabis businesses would be enacted? Thank you in advance for your response to this question.

Respectfully,

John Nolan

**LCB Response:**

Good morning John,

These changes to wac 314-44-097 could go into effect as early as April 12, 2025. The law actually went into effect in 2024 and we are now nearly finished with the rulemaking project .

Sincerely,  
Jeff

**Was the comment reflected in the adopted rule? No.**

**3. Pat Waters, via email on January 17, 2025**

Please note my strong objection of the sale of Cannabis waste to any unlicensed entity period. This will allow unlicensed entities to compete with licensed WSLCB licensed entities, undermining profits already stressed by growing wage increases in the industry, flat lined annual sales at retail stores and unfair licensing of expanded tribal licenses in the state on non tribal lands. LCB is undermining the retail sales system it is supposed to be protecting to protect the original small business and stakeholders the law originally was initiated to protect. I am specifically talking about Cannabis sales prior to adoption of 502 that were medical and sales that were exempted by prior statutes that allowed grows for medical use which I was included.

Regards,  
State Licensed Retailer  
Pat Waters

**LCB Response:**

Hi Pat,

Thank you for your comments regarding cannabis waste. I will include them with the rule file.

This rulemaking only allows for sales of cannabis plant waste that has a THC concentration 0.3 percent or less, like the plant roots that otherwise have to be ground up and mixed with other material for disposal. It should not impact other licensees.

Thanks  
Jeff

**Was the comment reflected in the adopted rule? No.**

**4. Pat Waters, via email on January 17, 2025**

Hi Jeff,  
Please add this to my comments.

Once you start a process to sell to Cannabis unlicensed entities, there is a long history of diverted sales that has been extremely hard to track and stop that is still ongoing today. This new endeavor could add to more to the diversion issue and problem, PLEASE DO NOT APPROVE.

Regards,  
Pat Waters Retail Licensee WA State

**LCB Response:**

Hi Pat,

Thank you again for your comments regarding cannabis waste.

Thanks  
Jeff

**Was the comment reflected in the adopted rule? No.**

**One person testified at the public hearing held February 26, 2025:**

**1. Douglas Henderson**

Greetings once again to members of the board,

Very excited to see rules surrounding cannabis waste moving forward so that we can utilize our crop waste for alternative sustainable materials uh I do want to once more request that the purchase not be required for transactions in cannabis waste, but I do remain in support of a reporting requirement I think that the reporting requirement between WSDA and LCB is going to help protect our cannabis Farmers from being accused of diversion as well as provide the WSDA with important information about the amount of cannabis waste that is produced in our state. I also would like to request that the language surrounding out of state transfers be removed products produced from these waste streams are going to be inert and that requirements is excessive and it restricts Commerce. The Inland hemp group that I represent we intend to use

these waste streams to engage in a circular economy along with hemp waste materials and we intend to provide a cannabis specific Waste Management Service to that end costs bring more costs and I would prefer not to engage in additional bookkeeping. and I do want to take a moment to thank the team at the LCB Justin Nordhorn Jeff Kildahl for working with the stakeholders here on this issue and I'm looking forward to implementation of the rules thank you thank you

**LCB Response:**

Hi Douglas,

Thank you for your testimony at the public hearing on February 26, 2025. I hear your concern about the rule's reporting requirement for including a purchase price for the cannabis waste sale, but this is a requirement from SSB 5376 that would have to be changed by the legislature as it is found in the statute [RCW 69.50.3255\(1\)\(b\)](#) and must be reflected in [WAC 314-55-097](#). This requirement would have to be changed by the legislature.

Thank you again for you participation in this rulemaking project.

Sincerely,  
Jeff

**Was the testimony reflected in the adopted rule? No.**

**Changes between the proposed rules and the final rule rules:**

There were no changes between the proposed rule and the final rule.