

## Regulatory/Permitting Guidance for Cannabis Processor Operations

In addition to the requirements of the Washington State Liquor and Cannabis Board (WSLCB), cannabis producers applying for licenses under Initiative 502 (I-502) may be subject to additional local, state and regional regulations.

These additional regulatory requirements may have separate timelines and costs from the WSLCB process. They can include environmental permitting<sup>1</sup>, land-use regulations (zoning), business licensing and building/fire codes.

Note: This fact sheet is for informational purposes only. It is intended to help cannabis processors be aware of local, state and/or regional requirements they may need to meet. For more technical information, contact the local, state and regional regulatory authorities listed below. WSLCB staff cannot answer permitting questions.

## **Local Government Permits and Regulations**

Local governments are responsible for determining how land is used and where businesses can locate in their jurisdictions (except for the 1,000 foot buffer zone mandated by I-502). Typical land-use designations include residential, commercial, industrial, manufacturing and agricultural however local authorities may develop cannabis-specific zoning. Before committing to a location, make sure local zoning allows your proposed use.

Local governments may also have their own business licensing process. They also administer building, fire, electrical, mechanical, energy and plumbing codes. If you are planning to make any changes to the structure or use of your location, you may need a permit.

Tip: Many local governments offer a "pre-application" meeting where you can determine what permits you will need and the time/cost it will take to obtain them. Call your local permitting agency, often the planning and development department and ask for their help. It could save you time and money.

State Environmental Policy Act (SEPA) – SEPA is not a permit; it is an environmental review process which helps governments make decisions about permits and other actions. The WSLCB completed a SEPA review for the rules governing cannabis licensing. Individual processor operations may also have to undertake a SEPA review. Local permitting agencies will determine if it is necessary.

If SEPA is required, project applicants must complete a checklist describing the possible environmental impacts of their project. Processes like wastewater disposal, solvent use and storage and hazardous waste disposal may be included, among other things. More information about SEPA can be found at:

http://www.ecy.wa.gov/programs/sea/sepa/agenciesApplicantsGuidance.html

## State and Regional Environmental Permits and Regulations

There are a number of environmental permits and regulations that may apply to cannabis processing operations. These permits can be administered by state or regional agencies or a local jurisdiction, if it has been delegated by the state to issue specific permits.

<u>Hazardous Waste Management</u> – The cannabis licensing rules require that certain wastes from cannabis processing, extraction and quality assurance testing must be evaluated against the state's Dangerous Waste Regulations (WAC 173.303) to determine if they designate as dangerous wastes (DW).

Designation procedures are covered in WAC 173.303.070(3), WAC 173.303.090 and WAC 173.303.100. They include testing for ignitability and corrosivity, among other things. Wastes that are designated dangerous must be disposed of according to the DW regulations.

If your wastes are designated dangerous you could need to register as a Small, Medium or Large Quantity Generator of hazardous wastes. Small Quantity Generators are regulated by local health departments while Medium and Large Quantity Generators are regulated by the state Department of Ecology (Ecology).

<sup>&</sup>lt;sup>1</sup> The term 'permit' is a synonym for process, permit, authorization, license, regulation, certificate, and approval.

Tip: Small Quantity Generators (SQG) have less regulations and requirements to meet than medium and large generators. If you generate 220 pounds or less of DW per month or 2.2 lbs or less of Extremely DW (Waste code WT01) per month you can qualify as an SQG.

Local health departments (sometimes called "environmental health") can help you determine your generator status and the disposal requirements for your dangerous wastes. For more information see:

- http://www.ecy.wa.gov/programs/hwtr/managewaste.html
- <a href="https://fortress.wa.gov/ecy/publications/publications/981252hwtr.pdf">https://fortress.wa.gov/ecy/publications/publications/981252hwtr.pdf</a>
- http://www.co.thurston.wa.us/health/ehhw/sqg.html

<u>Hazardous Materials Storage and Use</u> – In most cases the local city or county Fire Marshal's office is responsible for overseeing the storage and use of hazardous/flammable materials. They will determine if a permit is needed for extraction processing.

If ethanol is used in the extraction process a permit is needed from the WSLCB. See RCW 66.20.010(2).

<u>Solid Waste Handling</u> – If the wastes from extraction activities do not designate as dangerous wastes, they are considered "solid waste" by the state and must be handled according to the state Solid Waste Handling Standards (Chapter 173-350 WAC) *and* the requirements of the cannabis licensing rules. The cannabis licensing rules require that these wastes be rendered unusable by mixing with 50% other ground materials before disposal or composting.

Solid waste regulatory oversight rests with county health districts. Processors should work with their health district to determine appropriate disposal of solid wastes.

Tip: Be prepared to discuss the following with your local health district (be as specific as possible):

- How much waste will you have?
- What will the cannabis waste be mixed with to render it unusable?
- How, where and for how long will processing waste be stored?
- Where will the unusable cannabis waste be sent and who will be transporting it?
- Are you planning to compost cannabis waste on-site?

<u>Water Quality Permits</u> – Water quality permits address wastewater or stormwater discharged from a facility or leaving facility grounds. Cannabis processors may need a permit to discharge if their wastewater contains solvents, chemicals, fats, oils, grease or contaminated water from steam or ice water processing.

Wastewater discharge permits can be issued by either Ecology or a local jurisdiction, such as King County, if it has delegated authority. For more information see:

- http://apps.ecv.wa.gov/permithandbook/permitdetail.asp?id=20
- www.kingcounty.gov/environment/wastewater/IndustrialWaste/DischargeApprovalOverview.aspx

Tip: Come to your pre-application meeting prepared to describe how much wastewater you will discharge and the wastewater composition. This will help regulators decide if you need a discharge permit, an authorization or your discharge is exempt.

Construction stormwater permits are issued by Ecology and are required for land-disturbing activities that disturb one or more acres of land and that discharge stormwater into surface waters of the state. Smaller sites may also need a permit if they are part of a larger development that will disturb one acre or more. If you are considering building a new facility, you may need this permit. For more information see:

https://fortress.wa.gov/ecy/publications/publications/1010077.pdf

<u>Air Quality Permits</u> – Air quality permits regulate releases from industry that could contribute to an increase in air pollution. They are issued by Ecology or local clean air agencies depending on your location. The use of solvents in manufacturing or boilers in operations could require permits.

Clean air agencies also have the authority to regulate odors that "may unreasonably interfere with

another property owner's use or enjoyment of his property<sup>2</sup>." Facilities that receive odor complaints can be subject to fines or be required to add air filtration equipment.

Tip: Contact your local air quality authority or Ecology before beginning operations to determine if you will need a permit for extraction processes. Before odor complaints occur, consider adding odor control technology to your building's heating, ventilation and air conditioning system.

To determine which agency has jurisdiction for air quality permits in your region see: <a href="http://www.ecy.wa.gov/programs/air/local.html">http://www.ecy.wa.gov/programs/air/local.html</a>

## **Do You Need Environmental Permits?**

Applicants are advised to consult with local and state authorities since permit requirements vary based on site- and process-specific conditions. This document is for reference purposes only. Your local permitting agency should be able to determine if you will need any environmental permits.

You can also contact the Department of Ecology in your region for more information and assistance. See <a href="http://www.ecy.wa.gov/org.html">http://www.ecy.wa.gov/org.html</a>

-

<sup>&</sup>lt;sup>2</sup> WAC 173-400-040(5)