To: David Postman, Board Chair

Ollie Garrett, Board Member Russ Hauge, Board Member

From: Kathy Hoffman, Policy and Rules Manager

Date: September 15, 2021

Copy: Rick Garza, Agency Director

Toni Hood, Deputy Director

Justin Nordhorn, Policy and External Affairs Director Becky Smith, Licensing and Regulation Director

Chandra Brady, Director of Enforcement and Education

Subject: Request for approval to rescind Board Interim Policy (BIP) 02-2016

concerning UBI labeling on marijuana products (WAC 314-55-105).

On May 18, 2016, the Board adopted rules as WSR #16-11-110 to implement both Senate Bill (SB) 5052 and House Bill (HB) 2136. Among the amendments and new rule sections was an increase in the number of digits required for the Unified Business Identifier (UBI) number on marijuana package labels from 9 to 16 digits. Very few comments were received concerning this change during rule development and subsequent adoption processes.

Although the Board provided an informal notice that licensees would have sixty days to comply with the new requirement, many licensees expressed concern regarding the costs of compliance. Finding that the benefit of the new requirement for traceability and recall purposes did not outweigh the concerns and increased costs associated with compliance, and that the agency could achieve its goals using either the 9 or 16 digit UBI number, the Board issued BIP 02-2016 to provide that licensees could use either number. The policy went into effect on July 13, 2016, and was designed to end on the date rules became effective to implement the policy.

During the 2018 legislative session, House Bill (HB) 2474 amended RCW 69.50.346 to provide that labels on marijuana concentrates, usable marijuana or edible marijuana products sold at retail must include the business or trade name, and a Washington state UBI of the marijuana producer and processor.

To implement the legislation, WAC 314-55-105 was amended in May 2018 as WSR #18-11-005, with an effective date of January 1, 2019, providing that a 9-digit UBI number, rather than a 16-digit UBI number was required for marijuana or marijuana products produced and processed in Washington state.

The rules pertaining to UBI numbers for marijuana and marijuana products has remained unchanged since then. For these reasons, BIP 02-2016 is no longer necessary.

If the Board approves rescission of BIP 02-2016, the agency will send notice to stakeholders, and remove the BIP from the LCB website.

The Board approves/disapproves the rescission of BIP 02-2016.

Approve	Disapprove	David Postman, Chair	Date
Approve	Disapprove	Ollie Garrett, Board Member	Date
Approve	Disapprove	Russ Hauge Board Member	 Date