



Washington State Liquor and Cannabis Board

To: David Postman, Board Chair
Ollie Garrett, Board Member
Russ Hauge, Board Member

From: Kathy Hoffman, Policy and Rules Manager

Date: September 29, 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) 09-2014 concerning recreational marijuana (chapter 314-55 WAC).

Engrossed Substitute House Bill (ESHB) 2304, concerning marijuana processing and retail licenses, and more specifically, how marijuana concentrates would be produced and sold, passed during the 2014 legislative session. The measure, eventually codified in chapter 69.50 RCW, accomplished the following:

- Defined “marijuana concentrates”;
- Provided that licensed marijuana processors could sell marijuana, including marijuana concentrates, useable marijuana, and marijuana-infused products to other processors and to retailers;
- Provided that licensed retailers could sell marijuana concentrates to the same consumers who were allowed to purchase useable marijuana and marijuana-infused products and subject to the same restrictions;
- Incorporated marijuana concentrates were into various statutory provisions governing marijuana licensees;
- Provided that marijuana retailers could sell up to 7 grams of marijuana concentrates product from the premises of a retail outlet, in any combination with allowable amounts of other kinds of marijuana products; and
- Provided that account numbers and values provided to the LCB in connection with an application for a marijuana producer, processor, or retailer license were exempted from Public Records Act (PRA) disclosure

The policy went into effect on June 12, 2014, and was designed to end on the date rules became effective to implement the policy. To that end and to implement the legislation, chapter 314-55 WAC was amended and new sections were added to reflect ESHB 2304. The Board subsequently adopted the rules on May 20, 2015 as WSR #15-11-107, effective June 20, 2015. For these reasons, BIP 09-2014 is no longer necessary.

If the Board approves rescission of BIP 09-2014, the agency will send notice to stakeholders, and remove the BIP from the LCB website.

The Board approves/disapproves the rescission of BIP 01-2017.

☒ Approve ☐ Disapprove



David Postman, Chair

9.29.2021
Date

☒ Approve ☐ Disapprove



Ollie Garrett, Board Member

9.29.2021
Date

☐ Approve ☐ Disapprove

Not Present

Russ Hauge, Board Member

9.29.2021
Date



Washington State
Liquor Control Board

Revised Liquor Control Board Interim Policy BIP-09-2014

Subject: Recreational Marijuana

Effective Date: June 12, 2014

Ending Date: Upon adoption of rules to implement this policy.

Approved:

Sharon Foster, Chairman

Ruthann Kurose, Board Member

Chris Marr, Board Member

Purpose:

ESHB 2304 passed in the 2014 legislative session creating changes in the Marijuana Processor and Retail Licenses. An interim policy is required until permanent rules are adopted by the board.

Policy Statement:

(1) **Marijuana Producer:** On a monthly basis, marijuana producers must maintain records and report purchases from other licensed marijuana producers, current production and inventory on hand, sales by product type, and lost and destroyed product in a manner prescribed by the board.

A marijuana producer licensee must pay to the board a marijuana excise tax of twenty-five percent of the selling price on each wholesale sale to a licensed marijuana producer or marijuana processor.

(2) **Marijuana Processor:** A marijuana processor license allows the licensee to process, package, and label usable marijuana, marijuana concentrates, and marijuana-infused products for sale at wholesale to other marijuana processors and marijuana retailers.

On a monthly basis, marijuana processors must maintain records and report purchases from licensed marijuana producers and processors, production of marijuana concentrates and marijuana-infused products, sales by product type to

marijuana processors and marijuana retailers, and lost and/or destroyed product in a manner prescribed by the board.

A marijuana processor licensee must pay to the board a marijuana excise tax of twenty-five percent of the selling price on each wholesale sale of usable marijuana, marijuana concentrates, and marijuana-infused product to a licensed marijuana retailer.

(3) **Marijuana Retailer:** A marijuana retailer license allows the licensee to sell only usable marijuana, marijuana concentrates, marijuana-infused products, and marijuana paraphernalia at retail in retail outlets to persons twenty-one years of age and older.

On a monthly basis, marijuana retailers must maintain records and report purchases from licensed marijuana processors, sales by product type to consumers, and lost and/or destroyed product in a manner prescribed by the board.

A marijuana retailer licensee must pay to the board a marijuana excise tax of twenty-five percent of the selling price on each retail sale of usable marijuana, marijuana concentrates, or marijuana-infused products.

(4) **Transaction limitation.** A single transaction is limited to one ounce of usable marijuana, sixteen ounces of marijuana-infused product in solid form, seven grams of marijuana concentrates, and seventy-two ounces of marijuana-infused product in liquid form for persons twenty-one years of age and older.

(5) **Packaging:** Marijuana-infused products and marijuana concentrates meant to be eaten, swallowed, or inhaled, must be packaged in child resistant packaging in accordance with Title 16 C.F.R. 1700 of the Poison Prevention Packaging Act or use standards specified in this subsection. Marijuana-infused products and marijuana concentrates in solid or liquid form may be packaged in plastic four mil or greater in thickness and be heat sealed with no easy-open tab, dimple, corner, or flap as to make it difficult for a child to open and as a tamperproof measure. Marijuana-infused product in liquid form may also be sealed using a metal crown cork style bottle cap.

(6) **Accompanying Material:** Marijuana concentrates sold at retail must contain accompanying material that contains the following warnings that state:

- (a) "There may be health risks associated with consumption of this product";
- (b) "This product is infused with marijuana or active compounds of marijuana";
- (c) "Should not be used by women that are pregnant or breast feeding";
- (d) "For use only by adults twenty-one and older. Keep out of reach of children";

(e) "Products containing marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug";

(f) "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by two or more hours";

(g) Statement that discloses all pesticides applied to the marijuana plants and growing medium during production of the base marijuana used to create the extract; and

(h) Statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or is added to the extract.

(7) **Labels:** Labels affixed to the container or package containing marijuana-infused products or marijuana concentrates sold at retail must include:

(a) The business or trade name and Washington state unified business identifier number of the licensees that produced, processed, and sold the usable marijuana;

(b) Lot numbers of all base marijuana used to create the extract;

(c) Batch number;

(d) Date manufactured;

(e) Best by date;

(f) Recommended serving size and the number of servings contained within the unit, including total milligrams of active tetrahydrocannabinol (THC), or Delta 9;

(g) Net weight in ounces and grams, or volume as appropriate;

(h) List of all ingredients and any allergens;

(i) "Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by two or more hours."

(j) If a marijuana extract was added to the product, disclosure of 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;

(k) Warnings that state: "This product has intoxicating effects and may be habit forming";

(l) Statement that "This product may be unlawful outside of Washington state";

(m) The board may create a logo that must be placed on all usable marijuana and marijuana-infused products.

(8) **Public Records Exemptions:** The following information is exempt from public record requests:

(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a marijuana producer, processor, or retailer license, or liquor license. (See RCW 42.56.270)