

То:	David Postman, Board Chair Ollie Garrett, Board Member Jim Vollendroff, Board Member
From:	Kathy Hoffman, PhD, Policy and Rules Manager
Date:	November 9, 2022
Сору:	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) 12-2019 concerning cannabinoid additives - requirements, restrictions, and quality assurance testing.

Chapter 69.50 RCW, also known as the Controlled Substances Act, contains statutory provisions that authorize and assist the Washington State Liquor and Cannabis Board (LCB) in framing and maintaining a regulated system for the production, processing and retail sale of cannabis products. RCW 69.50.326 provides that licensed cannabis producers and licensed cannabis processors may use a CBD product as an additive for the purpose of enhancing cannabinoid concentration of any product authorized for production, processing, and retail sale as statutorily provided. RCW 69.50.010(2)(d) defines CBD product as "any product containing or consisting of cannabidiol."

RCW 69.50.326(1) provides that licensed cannabis processors and producers must purchase a CBD product produced by another licensed cannabis producer or processors with one exception: licensed producers and processors may use a CBD product obtained from a source that is *not* licensed under chapter 69.50 RCW solely for the purpose of enhancing cannabinoid concentration of authorized products as long as the outsourced CBD has a THC level of 0.3 percent or less on a dry weight basis, and the product has been tested for contaminants and toxins by a testing laboratory accredited by the LCB.

WAC 314-55-109, which largely restates RCW 69.50.326, became effective December 1, 2018. In addition to establishing requirements, restrictions, and quality assurance standards for CBD additives, the rule also requires that test results from CBD products obtained from both inside and outside the licensed system be entered in the state's existing traceability system. The LEAF Data System was in place at the time the rules were promulgated.

LEAF was capable of tracking CBD products that were produced within the licensed system, but did not have the ability to track CBD products produced *outside* the licensed system or the associated test results. At the time, such tracking required an additional workflow that LEAF was unable to support.

On June 12, 2019, the Board to approved Board Interim Policy 12-2019 that was designed to temporarily suspend the requirement under WAC 314-55-109 to enter test results from CBD products produced outside the licensed system into the LEAF data system. The policy was intended to be rescinded once the workflow was completed.

However, in December 2021, LCB discontinued the LEAF data system and replaced it with a reporting solution referred to as the Cannabis Central Reporting System (CCRS). As a simplified and more flexible approach, CCRS was capable of tracking CBD products produced outside the licensed system and associated test results. As a result, BIP 12-2019 is no longer necessary.

If the Board approves rescission of BIP 12-2019, staff will remove it from the LCB website and send notice to stakeholders.

The Board approves/disapproves the rescission of BIP 12-2019.

ON & _X__ Approve Disapprove 11-9-22 David Postman, Chair Date X Approve Disapprove 11-9-22 Ollie Garrett, Board Member Date 11-9-22

X Approve Disapprove

Jim Vollendroff, Board Member

Date