
Commerce & Gaming Committee

HB 2696

Brief Description: Concerning the sale of marijuana plants and seeds for medical purposes.

Sponsors: Representatives Blake, Rossetti and Condotta.

Brief Summary of Bill

- Authorizes licensed marijuana producers to sell marijuana plants and seeds at wholesale to those licensed marijuana retailers with a medical marijuana endorsement issued by the Liquor and Cannabis Board.
- Authorizes marijuana retailers with a medical marijuana license endorsement to sell marijuana plants and seeds to qualifying medical marijuana patients.
- Authorizes qualifying medical marijuana patients to purchase and possess marijuana plants and seeds, subject to specified conditions.

Hearing Date: 2/2/16

Staff: Thamas Osborn (786-7129).

Background:

Licensing of Marijuana Producers, Processors, and Retailers.

The Liquor and Cannabis Board (LCB) issues three categories of commercial marijuana licenses: (1) the marijuana producer's license entitles the holder to produce marijuana for sale at wholesale to licensed marijuana processors or other producers; (2) the marijuana processor's license entitles the holder to process, package, and label marijuana for sale at wholesale to marijuana retailers and other processors; and (3) the marijuana retailer's license entitles the holder to sell marijuana products at retail prices in retail outlets.

A licensed marijuana retailer may apply to the LCB for a medical marijuana endorsement allowing it to sell marijuana for medical use to qualifying patients and designated providers. The endorsement may be issued concurrently with the retail license, and medical marijuana-endorsed stores must carry products identified by the Department of Health as beneficial to medical

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marijuana patients. Marijuana retailers are not authorized to conduct retail sales of marijuana plants or seeds to medical marijuana patients or other retail customers.

Licensed marijuana producers may sell marijuana plants only to other licensed producers. State law does not allow producers to sell marijuana plants to marijuana retailers, the general public, qualifying medical marijuana patients, or medical marijuana cooperatives. Producers are not authorized to sell marijuana seeds.

Medical Marijuana Patients and Cooperatives: Possession and Cultivation of Marijuana Plants. Beginning July 1, 2016, in order to be legally recognized as a medical marijuana patient ("qualifying patient"), an individual must have a written authorization from a health care provider. This authorization entitles the holder to be issued a medical marijuana recognition card after being entered into the statewide medical marijuana patient database. Possession of a recognition card provides a qualifying patient with additional legal protections and entitles the patient to lawfully possess larger quantities of marijuana products and plants than may be possessed by a patient who does not have a recognition card.

The amount of marijuana that a qualifying patient or designated provider may possess varies, depending upon whether or not he or she has a recognition card. If the qualifying patient or designated provider has a recognition card, he or she may possess a combination of up to 48 ounces of solid marijuana-infused product, 216 ounces of liquid marijuana-infused product, 21 grams of marijuana concentrates, 3 ounces of useable marijuana, six marijuana plants, and 8 ounces of useable marijuana derived from their plants. Qualifying patients and designated providers who have an authorization but no recognition card are limited to a combination of up to 16 ounces of solid marijuana-infused product, 72 ounces of liquid marijuana-infused product, 7 grams of marijuana concentrates, 1 ounce of useable marijuana, four marijuana plants, and 6 ounces of useable marijuana derived from their plants.

Statute authorizes the establishment of medical marijuana cooperatives consisting of up to four qualifying medical marijuana patients. To be eligible to participate in a medical marijuana cooperative, a qualifying patient must be registered with the medical marijuana authorization database and have the requisite recognition card. Members of a cooperative share responsibility for acquiring and supplying resources to produce and process marijuana for their medical use. Members who grow plants as part of a cooperative may not grow plants anywhere else.

Washington law does not provide any lawful means for individual qualifying patients or members of a medical marijuana cooperative to acquire marijuana plants or seeds.

Summary of Bill:

Licensed marijuana producers are authorized to sell marijuana plants and seeds at wholesale to those licensed marijuana retailers with medical marijuana endorsement issued by the LCB. In turn, these marijuana retailers are authorized to sell marijuana plants and seeds to qualifying medical marijuana patients.

A qualifying medical marijuana patient with a recognition card may lawfully possess a combination of up to six plants and seeds. If the qualifying patient does not have a recognition card, the patient is limited to possessing a combination of up to four plants and seeds. With

special authorization from a health care professional, a qualifying patient with a recognition card may possess a combination of up to 15 plants and seeds.

By September 1, 2016, the LCB is required to adopt the administrative rules necessary to implement the provisions of the act.

Appropriation: None.

Fiscal Note: Requested on January 29, 2016.

Effective Date: Sections 9, 17, 19 through 21, and 23 of the act take effect on July 1, 2016. The remaining sections of the act take effect 90 days after adjournment of the session in which the bill is passed.