

HOUSE BILL REPORT

SSB 6177

As Reported by House Committee On:
Commerce & Gaming

Title: An act relating to the marijuana research license.

Brief Description: Modifying marijuana research license provisions.

Sponsors: Senate Committee on Commerce & Labor (originally sponsored by Senator Rivers).

Brief History:

Committee Activity:

Commerce & Gaming: 2/22/16 [DP].

Brief Summary of Substitute Bill

- Requires applications for a marijuana research license to be reviewed by a scientific reviewer designated by the Liquor and Cannabis Board, instead of by the Life Sciences Discovery Fund Authority.
- Provides additional project assessment criteria for the scientific reviewer to use in assessing applications for a marijuana research license.
- Exempts certain information obtained from applicants and licensees from disclosure under the state Public Records Act.

HOUSE COMMITTEE ON COMMERCE & GAMING

Majority Report: Do pass. Signed by 9 members: Representatives Hurst, Chair; Wylie, Vice Chair; Condotta, Ranking Minority Member; Holy, Assistant Ranking Minority Member; Blake, Kirby, Scott, Van De Wege and Vick.

Staff: Peter Clodfelter (786-7127).

Background:

In 2015 the Legislature created a marijuana research license that authorizes a licensee to produce, process, and possess marijuana in order to test chemical potency and composition levels, conduct clinical investigations of marijuana-derived drug products, conduct research

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on the efficacy and safety of administering marijuana as part of medical treatment, or conduct genomic or agricultural research.

Applicants for a marijuana research license must submit a description of the intended research to the Life Sciences Discovery Fund Authority (LSDFA). The LSDFA must review the project and determine if it meets one of the permitted research purposes. The application is rejected if the LSDFA does not find that the project is for a permitted research purpose. The application fee is \$250, and the annual fee for issuance and renewal of a marijuana research license is \$1,000. Fifty percent of the application and renewal fees must be deposited to the fund.

The LSDFA was established in 2005 to support the state's life sciences sector and conduct science-related research. In 2015 the Legislature transferred \$62 million from the LSDFA's budget to the State General Fund and prohibited the LSDFA from making any grants after July 1, 2015.

Summary of Bill:

Applications for a marijuana research license must be reviewed by a scientific reviewer designated by the Liquor and Cannabis Board (LCB), instead of by the LSDFA. A scientific reviewer is defined as an organization that convenes or contracts with persons who have the training and experience in research practice and research methodology to determine whether a project meets the criteria for a marijuana research license and to review any reports submitted by marijuana research licensees under the LCB's rules. Scientific reviewers include, but are not limited to, educational institutions, research institutions, peer review bodies, or such other organizations that are focused on science or research in the organizations' day-to-day activities.

Additional project assessment criteria that the designated scientific reviewer must consider when analyzing an application are added. The designated scientific reviewer must assess the following:

- project quality, study design, value, or impact;
- whether applicants have the appropriate personnel, expertise, facilities, infrastructure, funding, and necessary federal approvals in place to successfully conduct the project; and
- whether the amount of marijuana to be grown by the applicant is consistent with the project's scope and goals.

The applicant for a marijuana research license must pay the costs of the review process directly to the scientific reviewer, as designated by the LCB. The scientific reviewer must review any reports made by marijuana research licensees under the LCB's rules and provide the LCB with the scientific reviewer's determination on whether the research project continues to meet the research qualifications.

An exemption to the state Public Records Act is added so that proprietary financial, commercial, operations, and technical and research information and data submitted to or

obtained by the LCB in applications for marijuana research licenses and in reports submitted by marijuana research licensees are exempt from disclosure.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Last year the Legislature established a licensing program for researching marijuana. However, subsequently, the Legislature eliminated the LSDFA in the Operating Budget, which was the entity responsible for reviewing the marijuana research license applications. Without this bill, there is no entity to review, approve, and disapprove license applications. This bill gives the LCB flexibility to find another scientific reviewer to work with the LCB. The bill is good, but it would be beneficial to change the use of the term "scientific reviewer" to "peer review board" to ensure consistency with standard medical research review regulations and business practices. There is much to learn about cannabis, including cannabis-based medical treatments and the effects of approved pesticides; this bill will allow for necessary rigorous research of cannabis and will help the medical marijuana community.

(Opposed) None.

Persons Testifying: Senator Rivers, prime sponsor; James Paribello, Washington State Liquor and Cannabis Board; Skip Dreps, Northwest Chapter, Paralyzed Veterans of America; Ryan Day; and Jessica Tonani, Verda Bio.

Persons Signed In To Testify But Not Testifying: None.