

# SENATE BILL REPORT

## ESHB 2472

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As of February 16, 2018

**Title:** An act relating to ensuring reasonable terms of payment are available to marijuana retailers when contracting with marijuana processors for the purchase of marijuana products.

**Brief Description:** Ensuring reasonable terms of payment are available to marijuana retailers, marijuana producers, and marijuana processors when contracting with other marijuana retailers, marijuana producers, and marijuana processors for the purchase of marijuana products.

**Sponsors:** House Committee on Commerce & Gaming (originally sponsored by Representatives Vick, Blake, Sawyer, Condotta, Kloba and Young).

**Brief History:** Passed House: 2/07/18, 84-14.

**Committee Activity:** Labor & Commerce: 2/19/18.

### Brief Summary of Bill

- Allows licensed marijuana producers, processors, and retailers to accept payments from another marijuana business after the date of the delivery.
- Requires that all payments must be made within five days of the delivery.

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Staff:** Richard Rodger (786-7461)

**Background:** The Liquor and Cannabis Board (LCB) issues the following three commercial marijuana licenses: marijuana producer license, marijuana processor license, and marijuana retailer license.

The LCB regulates what methods of payment may be made by a licensed marijuana producer, processor, or retailer when purchasing marijuana products. Pursuant to the LCB's rules, a marijuana licensee must pay for any marijuana products it purchases prior to or at the time of delivery. The LCB allows the payments to be made, subject to certain requirements, by: checks, credit or debit cards, electronic funds transfer, prepaid accounts, and transactions using a money transmitter.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The term "marijuana products" includes useable marijuana, marijuana concentrates, and marijuana-infused edible products in solid and liquid form.

**Summary of Bill:** A contract between licensed marijuana producers, processors, and retailers for the purchase and sale of marijuana products may allow for the full or final payment after the date the marijuana products are delivered or received. However, the contract must require the full or final payment not more than five calendar days after the date of delivery or receipt. The new contract provisions apply to contracts entered or renewed on or after the effective date of the act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.