Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Gaming Committee

HB 1859

Brief Description: Concerning quality standards for laboratories conducting cannabis analysis.

Sponsors: Representatives Kloba, Chambers, Wylie and Wicks; by request of Department of Agriculture, Liquor and Cannabis Board.

Brief Summary of Bill

- Establishes an interagency coordination team for cannabis laboratory quality standards, consisting of the Department of Agriculture (WSDA), the Liquor and Cannabis Board (LCB), and the Department of Health (DOH).
- Requires the WSDA to establish and maintain cannabis testing laboratory quality standards, which cannabis laboratories must adhere to in conducting tests of cannabis product samples.
- Allocates funding from the Dedicated Marijuana Account beginning in fiscal year 2023 to the WSDA, the LCB, and the DOH to implement cannabis testing laboratory quality standards.

Hearing Date: 1/18/22

Staff: Peter Clodfelter (786-7127)

Background:

Cannabis Laboratory Testing.

On a schedule determined by the Liquor and Cannabis Board (LCB), licensed cannabis producers and processors must submit representative samples of cannabis and cannabis products produced or processed by the licensee to an independent, third-party testing laboratory, meeting the accreditation requirements established by the LCB, for inspection and testing to certify

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compliance with quality assurance and product standards adopted by the LCB.

A separate law also grants the Department of Health (DOH), in conjunction with the LCB, authority to adopt rules establishing additional quality assurance and product standards for cannabis products that may be labeled as meeting the DOH's standards and sold or provided at no charge to qualifying patients and designated providers at a retail outlet holding a medical endorsement.

As directed by HB 2052, Chapter 277, Laws of 2019, which also established the Cannabis Science Task Force, agency authority over cannabis testing laboratory accreditation changes July 1, 2024.

Changes to Cannabis Laboratory Accreditation Effective July 1, 2024.

Effective July 1, 2024, the Department of Ecology (DOE), instead of the LCB, becomes responsible for establishing and maintaining laboratory accreditation requirements for cannabis laboratories. Subject to certain requirements, the DOE may determine, assess, and collect annual fees sufficient to cover the direct and indirect costs of implementing a state cannabis product testing laboratory accreditation program, except for the initial program development costs.

The Cannabis Science Task Force.

The Legislature established the Cannabis Science Task Force (Task Force) in 2019 to collaborate on the development of appropriate laboratory quality standards for cannabis product testing laboratories. The Task Force was required to create a proficiency testing program work group led by the DOE and a laboratory quality standards work group led by the Washington State Department of Agriculture (WSDA). The Task Force submitted a report to the Legislature in July 2020 on laboratory quality standards for pesticides in plants for cannabis testing laboratories. The Task Force submitted a final report to the Legislature in December 2021 with findings and recommendations on additional laboratory quality standards, proficiency testing, and next actions including related to establishing an interagency cooperative team.

Summary of Bill:

Interagency Coordination Team for Cannabis Laboratory Quality Standards.

An interagency coordination team for cannabis laboratory quality standards is created. The team consists of the Washington State Department of Agriculture (WSDA), the Washington State Liquor and Cannabis Board (LCB), and the Washington State Department of Health (DOH). The WSDA is designated lead agency for the team and must provide all necessary administrative support.

The agencies that make up the team must each dedicate administrative, policy, scientific, or other staff necessary to successfully accomplish the duties assigned to the team. The team must coordinate among all participating agencies on agency policies, actions, and regulatory activities that relate to cannabis testing laboratory quality standards. The team must also advise the WSDA on implementation and maintenance of cannabis testing laboratory quality standards

topics including, but not limited to: analytical methods; validation protocols; quality assurance and quality control practices; project planning and sampling guides; and other topics as necessary to fulfill the purposes of the team and the legislation. In making its recommendations, the team must take into account the Cannabis Science Task Force recommendations.

Laboratory Quality Standards Established by the Washington State Department of Agriculture. The WSDA must establish and maintain cannabis testing laboratory quality standards by rule. Cannabis testing laboratory quality standards must include, but are not limited to: approved methods for testing cannabis for compliance with product standards established by rule by the LCB or the DOH; method validation protocol; and performance measures and criteria applied to testing of cannabis products. The WSDA must take into account the recommendations of the interagency coordination team. Standards created must be provided to the Department of Ecology (DOE) for use in the laboratory accreditation process. Testing laboratories must adhere to laboratory quality standards adopted by the WSDA.

<u>Miscellaneous Changes to Cannabis Laboratory Testing and Accreditation Requirements</u>. A reference to the quality assurance and product standards that the DOH may adopt is added to the statute governing cannabis laboratory testing.

It is provided that independent, third-party laboratories performing cannabis product testing must obtain and maintain accreditation.

Until July 1, 2024, the LCB may adopt rules necessary to implement accreditation requirements for third-party laboratories until a successor state agency or agencies assume responsibility for establishing and administering laboratory standards and accreditation. Beginning July 1, 2024, the DOE and the interagency coordination team (instead of the DOE and the LCB) must act cooperatively to ensure effective implementation of cannabis laboratory testing and accreditation requirements.

<u>Dedicated Marijuana Account Distributions</u>.

Beginning in fiscal year 2023, the following sums are appropriated from the Dedicated Marijuana Account to the following agencies to implement cannabis testing laboratory quality standards:

- \$315,890 to the LCB;
- \$780,000 to the WSDA; and
- \$777,000 to the DOH.

A reference to the cannabis social equity technical assistance grant program is corrected.

Appropriation: Beginning in fiscal year 2023, the sum of \$315,890 is appropriated to the Liquor and Cannabis Board, \$780,000 is appropriated to the Department of Agriculture, and \$777,000 is appropriated to the Department of Health.

Fiscal Note: Available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except for section 6, relating to cannabis laboratory testing and accreditation, which takes effect July 1, 2024.