

HOUSE BILL REPORT

SB 5340

As Reported by House Committee On:
Regulated Substances & Gaming

Title: An act relating to limits on the sale and possession of retail cannabis products.

Brief Description: Regarding limits on the sale and possession of retail cannabis products.

Sponsors: Senator King.

Brief History:

Committee Activity:

Regulated Substances & Gaming: 3/20/23, 3/21/23 [DP].

Brief Summary of Bill

- Authorizes cannabis retailers to sell additional amounts of certain cannabis-infused product in liquid form to a retail customer in a single transaction.
- Authorizes persons 21 years of age or older to possess and, subject to requirements in current law, to transfer additional amounts of certain cannabis-infused product in liquid form to another person or persons 21 years of age or older.

HOUSE COMMITTEE ON REGULATED SUBSTANCES & GAMING

Majority Report: Do pass. Signed by 10 members: Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Cheney, Morgan, Reeves, Walsh and Waters.

Staff: Peter Clodfelter (786-7127).

Background:

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

Licensed cannabis retailers and their employees, pursuant to rules adopted by the Washington State Liquor and Cannabis Board (LCB), may legally sell in a transaction any combination of the following amounts of cannabis products to a person 21 years of age or older:

- 1 ounce of useable cannabis;
- 16 ounces of cannabis-infused product in solid form;
- 72 ounces of cannabis-infused product in liquid form; and
- 7 grams of cannabis concentrate.

Persons 21 years of age or older may not legally possess a combined total of more than those amounts of cannabis products, unless the person is a qualifying patient or designated provider. Cannabis licensees and their employees are prohibited from conducting a transaction that facilitates an individual in obtaining more than the personal possession amount.

A person 21 years of age or older may transfer to another person or persons 21 years of age or older, within a single 24-hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, an amount of cannabis products equal to half of the possession limits for persons 21 years of age or older. The transfer must be in a location outside of the view of the general public and in a nonpublic place, or the cannabis or cannabis product must be in the original packaging as purchased from the retailer.

Pursuant to the LCB's rule, a single serving of a cannabis-infused product may not exceed 10 milligrams active tetrahydrocannabinol, or Delta 9.

Summary of Bill:

New authorization is provided for cannabis retailers to sell 200 milligrams of tetrahydrocannabinol (THC) within a cannabis-infused product in liquid form, to a retail customer, if the product is packaged in individual units containing no more than 4 milligrams of THC per unit.

This new authorization is in addition to the current authorization for licensed cannabis retailers and their employees to sell specified amounts of different cannabis products to a retail customer in a single transaction.

Persons 21 years of age or older may legally possess this additional amount of cannabis-infused product in liquid form. Persons 21 years of age or older may also transfer to another person or persons 21 years of age or older, within a 24-hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, 100 milligrams of THC within a cannabis-infused product in liquid form if the product is packaged in individual units containing no more than

4 milligrams of THC per unit.

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) The bill would modernize the purchase limits for cannabis products in the regulated market. It is about evolving consumer choice and providing low-dose alternatives in a market that is overwhelmingly high-dose oriented. Consumers are limited to purchasing a limited number of products per transaction, and producers of the products would like a greater quantity of the products to be lawfully sold to consumers in a single transaction. These low-dose products can have less sugar, less additives, and have less cannabinoids. There is growing demand for these types of products with relatively less tetrahydrocannabinol (THC) per serving. Under the current framework, if a liquid cannabis product is sold in 12-ounce cans or bottles, a transaction is limited to a six pack of the cans or bottles, and does not take into account whether each can or bottle contains less milligrams of THC than the maximum allowable 10 milligrams of THC per serving.

(Opposed) None.

(Other) Encouraging low-dose products on the market is supported, but this bill should fix a mistake in the law from 10 years ago. A technical distinction was made, viewed as a mistake, where edible and drink products containing cannabis are judged based on weight or volume, instead of milligrams of THC. This has set up an inequity in the system that favors high-dose and low-volume products over low-dose and high-volume products. An amendment should restructure the sales and possession limits for these edible products in current law to base the limits on milligrams of THC.

Persons Testifying: (In support) Senator Curtis King, prime sponsor; and Douglas Henderson, Painted Rooster Cannabis Company.

(Other) Burl Bryson, The Cannabis Alliance.

Persons Signed In To Testify But Not Testifying: Vicki Christophersen, Washington CannaBusiness Association.