
HOUSE BILL 1341

State of Washington

69th Legislature

2025 Regular Session

By Representative Wylie; by request of Liquor and Cannabis Board

Read first time 01/16/25. Referred to Committee on Consumer Protection & Business.

1 AN ACT Relating to allowing the liquor and cannabis board to
2 verify excise tax exemptions through the medical cannabis
3 authorization database; and amending RCW 69.51A.230.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 69.51A.230 and 2022 c 16 s 127 are each amended to
6 read as follows:

7 (1) The department must contract with an entity to create,
8 administer, and maintain a secure and confidential medical cannabis
9 authorization database that allows:

10 (a) A cannabis retailer with a medical cannabis endorsement to
11 add a qualifying patient or designated provider and include the
12 amount of cannabis concentrates, useable cannabis, cannabis-infused
13 products, or plants for which the qualifying patient is authorized
14 under RCW 69.51A.210;

15 (b) Persons authorized to prescribe or dispense controlled
16 substances to access health care information on their patients for
17 the purpose of providing medical or pharmaceutical care for their
18 patients;

19 (c) A qualifying patient or designated provider to request and
20 receive his or her own health care information or information on any
21 person or entity that has queried their name or information;

1 (d) Appropriate local, state, tribal, and federal law enforcement
2 or prosecutorial officials who are engaged in a bona fide specific
3 investigation of suspected cannabis-related activity that may be
4 illegal under Washington state law to confirm the validity of the
5 recognition card of a qualifying patient or designated provider;

6 (e) A cannabis retailer holding a medical cannabis endorsement to
7 confirm the validity of the recognition card of a qualifying patient
8 or designated provider;

9 (f) The department of revenue to verify tax exemptions under
10 chapters 82.08 and 82.12 RCW;

11 (g) The liquor and cannabis board to verify excise tax exemptions
12 under RCW 69.50.535;

13 (h) The department and the health care professional's
14 disciplining authorities to monitor authorizations and ensure
15 compliance with this chapter and chapter 18.130 RCW by their
16 licensees; and

17 (~~(h)~~) (i) Authorizations to expire six months or one year after
18 entry into the medical cannabis authorization database, depending on
19 whether the authorization is for a minor or an adult.

20 (2) A qualifying patient and his or her designated provider, if
21 any, may be placed in the medical cannabis authorization database at
22 a cannabis retailer with a medical cannabis endorsement. After a
23 qualifying patient or designated provider is placed in the medical
24 cannabis authorization database, he or she must be provided with a
25 recognition card that contains identifiers required in subsection (3)
26 of this section.

27 (3) The recognition card requirements must be developed by the
28 department in rule and include:

29 (a) A randomly generated and unique identifying number;

30 (b) For designated providers, the unique identifying number of
31 the qualifying patient whom the provider is assisting;

32 (c) A photograph of the qualifying patient's or designated
33 provider's face taken by an employee of the cannabis retailer with a
34 medical cannabis endorsement at the same time that the qualifying
35 patient or designated provider is being placed in the medical
36 cannabis authorization database in accordance with rules adopted by
37 the department;

38 (d) The amount of cannabis concentrates, useable cannabis,
39 cannabis-infused products, or plants for which the qualifying patient
40 is authorized under RCW 69.51A.210;

1 (e) The effective date and expiration date of the recognition
2 card;

3 (f) The name of the health care professional who authorized the
4 qualifying patient or designated provider; and

5 (g) For the recognition card, additional security features as
6 necessary to ensure its validity.

7 (4)(a) For qualifying patients who are eighteen years of age or
8 older and their designated providers, recognition cards are valid for
9 one year from the date the health care professional issued the
10 authorization. For qualifying patients who are under the age of
11 eighteen and their designated providers, recognition cards are valid
12 for six months from the date the health care professional issued the
13 authorization. Qualifying patients may not be reentered into the
14 medical cannabis authorization database until they have been
15 reexamined by a health care professional and determined to meet the
16 definition of qualifying patient. After reexamination, a cannabis
17 retailer with a medical cannabis endorsement must reenter the
18 qualifying patient or designated provider into the medical cannabis
19 authorization database and a new recognition card will then be issued
20 in accordance with department rules.

21 (b) A qualifying patient's registration in the medical cannabis
22 authorization database and his or her recognition card may be renewed
23 by a qualifying patient's designated provider without the physical
24 presence of the qualifying patient at the retailer if the
25 authorization from the health care professional indicates that the
26 qualifying patient qualifies for a compassionate care renewal, as
27 provided in RCW 69.51A.030. A qualifying patient receiving renewals
28 under the compassionate care renewal provisions is exempt from the
29 photograph requirements under subsection (3)(c) of this section.

30 (5) If a recognition card is lost or stolen, a cannabis retailer
31 with a medical cannabis endorsement, in conjunction with the database
32 administrator, may issue a new card that will be valid for six months
33 to one year if the patient is reexamined by a health care
34 professional and determined to meet the definition of qualifying
35 patient and depending on whether the patient is under the age of
36 eighteen or eighteen years of age or older as provided in subsection
37 (4) of this section. If a reexamination is not performed, the
38 expiration date of the replacement recognition card must be the same
39 as the lost or stolen recognition card.

1 (6) The database administrator must remove qualifying patients
2 and designated providers from the medical cannabis authorization
3 database upon expiration of the recognition card. Qualifying patients
4 and designated providers may request to remove themselves from the
5 medical cannabis authorization database before expiration of a
6 recognition card and health care professionals may request to remove
7 qualifying patients and designated providers from the medical
8 cannabis authorization database if the patient or provider no longer
9 qualifies for the medical use of cannabis. The database administrator
10 must retain database records for at least five calendar years to
11 permit the state liquor and cannabis board and the department of
12 revenue to verify eligibility for tax exemptions.

13 (7) During development of the medical cannabis authorization
14 database, the database administrator must consult with the
15 department, stakeholders, and persons with relevant expertise to
16 include, but not be limited to, qualifying patients, designated
17 providers, health care professionals, state and local law enforcement
18 agencies, and the University of Washington computer science and
19 engineering security and privacy research lab or a certified
20 cybersecurity firm, vendor, or service.

21 (8) The medical cannabis authorization database must meet the
22 following requirements:

23 (a) Any personally identifiable information included in the
24 database must be nonreversible, pursuant to definitions and standards
25 set forth by the national institute of standards and technology;

26 (b) Any personally identifiable information included in the
27 database must not be susceptible to linkage by use of data external
28 to the database;

29 (c) The database must incorporate current best differential
30 privacy practices, allowing for maximum accuracy of database queries
31 while minimizing the chances of identifying the personally
32 identifiable information included therein; and

33 (d) The database must be upgradable and updated in a timely
34 fashion to keep current with state of the art privacy and security
35 standards and practices.

36 (9)(a) Personally identifiable information of qualifying patients
37 and designated providers included in the medical cannabis
38 authorization database is confidential and exempt from public
39 disclosure, inspection, or copying under chapter 42.56 RCW.

1 (b) Information contained in the medical cannabis authorization
2 database may be released in aggregate form, with all personally
3 identifiable information redacted, for the purpose of statistical
4 analysis and oversight of agency performance and actions.

5 (c) Information contained in the medical cannabis authorization
6 database shall not be shared with the federal government or its
7 agents unless the particular qualifying patient or designated
8 provider is convicted in state court for violating this chapter or
9 chapter 69.50 RCW.

10 (10) The department must charge a one dollar fee for each initial
11 and renewal recognition card issued by a cannabis retailer with a
12 medical cannabis endorsement. The cannabis retailer with a medical
13 cannabis endorsement shall collect the fee from the qualifying
14 patient or designated provider at the time that he or she is entered
15 into the database and issued a recognition card. The department shall
16 establish a schedule for cannabis retailers with a medical cannabis
17 endorsement to remit the fees collected. Fees collected under this
18 subsection shall be deposited into the dedicated cannabis account
19 created under RCW 69.50.530.

20 (11) If the database administrator fails to comply with this
21 section, the department may cancel any contracts with the database
22 administrator and contract with another database administrator to
23 continue administration of the database. A database administrator who
24 fails to comply with this section is subject to a fine of up to five
25 thousand dollars in addition to any penalties established in the
26 contract. Fines collected under this section must be deposited into
27 the health professions account created under RCW 43.70.320.

28 (12) The department may adopt rules to implement this section.

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