

Chapter 314-55 WAC

CANNABIS LICENSES, APPLICATION PROCESS, REQUIREMENTS, AND REPORTING

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WAC

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

314-55-081 Who can apply for a marijuana retailer license? [Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-081, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-081, filed 10/21/13, effective 11/21/13.] Repealed by WSR 18-22-055, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369.

314-55-1025 Proficiency testing. [Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-1025, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.345 and 69.50.348. WSR 22-06-097, § 314-55-1025, filed 3/2/22, effective 4/2/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-1025, filed 5/31/17, effective 8/31/17.] Repealed by WSR 25-09-167, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348.

314-55-103 Good laboratory practice checklist. [Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-103, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-103, filed 5/31/17, effective 8/31/17; WSR 16-11-110, § 314-55-103, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-103, filed 5/20/15, effective 6/20/15.] Repealed by WSR 25-09-167, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348.

314-55-510 What options does a licensee have once he/she receives a notice of an administrative violation? [Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-510, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-510, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-510, filed 10/21/13, effective 11/21/13.] Repealed by WSR 20-03-177, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394.

314-55-515 What are the penalties if a marijuana license holder violates a marijuana law or rule? [Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-515, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-515, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-515, filed 10/21/13, effective 11/21/13.] Repealed by WSR 20-03-177, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394.

314-55-530 Group 3 license violations. [Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-530, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-530, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-530, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-530, filed 10/21/13, effective 11/21/13.] Repealed by WSR 20-03-177, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394.

314-55-535 Group 4 marijuana producer and/or processor violations. [Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-535, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-535, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-535, filed 10/21/13, effective 11/21/13.] Repealed by WSR 20-03-177, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394.

314-55-537 Group 5 license violations. [Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-537, filed 5/18/16, effective 6/18/16.] Repealed by WSR 20-03-177, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394.

WAC 314-55-005 What is the purpose of this chapter? The purpose of this chapter is to outline the application process, qualifications and requirements to obtain and maintain a cannabis license and the reporting requirements for a cannabis licensee.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-005, filed 7/6/22, effective 8/6/22. Statutory Au-

thority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-005, filed 10/21/13, effective 11/21/13.]

WAC 314-55-010 Definitions. The following definitions apply for the purpose of this chapter in addition to the definitions provided in RCW 69.50.101.

(1) "Applicant" or "cannabis license applicant" means any person or business entity who is considered by the LCB as a true party of interest in a cannabis license, as outlined in WAC 314-55-035. However, for purposes of determining an application's priority under RCW 69.50.331 (1)(a), only the person or business entity that is applying for the license will be considered the applicant.

(2) "Batch" means a quantity of cannabis-infused product containing material from one or more lots of cannabis.

(3) "Business name" or "trade name" means the name of a licensed business as used by the licensee on signs and advertising.

(4) "Cannabis" has the meaning provided in RCW 69.50.101.

(5) "Cannabis concentrates" has the meaning provided in RCW 69.50.101.

(6) "Cannabis-infused products" has the meaning provided in RCW 69.50.101.

(7) "Cannabis mix" means an intermediate lot that contains multiple strains of useable cannabis and is chopped or ground so no particles are greater than 3 mm.

(8) "Cannabis mix infused" or "mix infused" means an end product that contains cannabis mix and may contain other intermediate products or useable cannabis.

(9) "Cannabis mix packaged" or "mix packaged" means an end product containing only cannabis mix and no other product types.

(10) "Cannabis products" has the meaning provided in RCW 69.50.101.

(11) "Cannabis strain" means a pure breed or hybrid variety of Cannabis reflecting similar or identical combinations of properties such as appearance, taste, color, smell, cannabinoid profile, and potency.

(12) "CBD concentration" has the meaning provided in RCW 69.51A.010.

(13) "Characterizing flavor" means a noticeable taste, other than one of cannabis, resulting from an additive or combination of additives including, but not limited to, fruit, spice, herbs, alcohol, candy, or menthol, or that is noticeable before or during consumption of the cannabis product.

(14) "Child care center" means an entity that regularly provides child day care and early learning services for a group of children for periods of less than 24 hours licensed by the Washington state department of early learning under chapter 170-295 WAC.

(15) "Consultant" means an expert who provides advice or services in a particular field, whether a fee is charged or not. A consultant who is in receipt of, or has the right to receive, a percentage of the gross or net profit from the licensed business during any full or partial calendar or fiscal year is a true party of interest and subject to the requirements of WAC 314-55-035. A consultant who exercises any control over an applicant's or licensee's business operations is also subject to the requirements of WAC 314-55-035(4).

(16) "Cooperative" means a group of more than one, but no more than four qualified medical cannabis patients and/or designated pro-

viders who share responsibility for growing and processing cannabis only for the medical use of the members of the cooperative.

(17) "Domicile" means a person's true, fixed, primary permanent home and place of habitation and the tax parcel on which it is located. It is the place where the person intends to remain and to which the person expects to return when the person leaves without intending to establish a new domicile elsewhere.

(18) "Elementary school" means a school with a physical location for early education that provides the first four to eight years of basic education and recognized by the Washington state superintendent of public instruction.

(19) "Employee" means any person performing services on a licensed premises for the benefit of the licensee whether or not such person is compensated by the licensee.

(20) "End product" means a cannabis product that requires no further processing prior to retail sale.

(21) "Financier" means any person or entity, other than a banking institution, that provides money as a gift or loans money to the applicant/business and expects to be paid back the amount of the loan with or without reasonable interest.

(22) "Game arcade" means an entertainment venue featuring primarily video games, simulators, and/or other amusement devices where persons under 21 years of age are not restricted.

(23) "Harvest" means the cannabis plant material derived from plants of the same strain that were cultivated at the same licensed location and gathered at the same time.

(24) "Immature plant or clone" means a cannabis plant or clone that has no flowers, is less than 12 inches in height, and is less than 12 inches in diameter.

(25) "Intermediate product" means cannabis flower lots or other material lots that have been converted by a cannabis processor to a cannabis mix lot, cannabis concentrate or cannabis-infused product that must be or are intended to be converted further to an end product.

(26) "LCB" means the Washington state liquor and cannabis board.

(27) "Library" means an organized collection of resources made accessible to the public for reference or borrowing supported with money derived from taxation.

(28) "Licensed premises" means all areas of a premises where the licensee has leasehold rights as listed in the property lease submitted to the board. Any vehicle assigned for the purposes of transporting cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products shall be considered an extension of the licensed premises.

(29) "Licensee" or "cannabis licensee" means any person or entity that holds a cannabis license, or any person or entity who is a true party of interest in a cannabis license, as outlined in WAC 314-55-035.

(30) "Lot" means either of the following:

(a) The flowers from one or more cannabis plants of the same strain. A single lot of flowers cannot weigh more than five pounds; or

(b) The trim, leaves, or other plant matter from one or more cannabis plants. A single lot of trim, leaves, or other plant matter cannot weigh more than 15 pounds.

(31) "Lozenge" means a cannabis-infused product such as a hard candy, mint, pastille, tablet, or similar type of edible product that

is generally swallowed whole, chewed and swallowed, or dissolved in the mouth.

(32) "Member," except as that term is used in relation to registered cooperatives, means a principal or governing person of a given entity including, but not limited to: LLC member/manager, president, vice president, secretary, treasurer, CEO, director, stockholder, partner, general partner, limited partner. This includes all spouses of all principals or governing persons named in this definition and referenced in WAC 314-55-035.

(33) "Package" has the meaning provided in RCW 69.50.101.

(34) "Paraphernalia" means items used for the storage or use of useable cannabis, cannabis concentrates, or cannabis-infused products, such as, but not limited to, lighters, roach clips, pipes, rolling papers, bongs, and storage containers. Items for growing, cultivating, and processing cannabis, such as, but not limited to, butane, lights, and chemicals are not considered "paraphernalia."

(35) "Pesticide" means, but is not limited to: (a) Any substance or mixture of substances intended to prevent, destroy, control, repel, or mitigate any insect, rodent, snail, slug, fungus, weed, and any other form of plant or animal life or virus, except virus on or in a living person or other animal which is normally considered to be a pest; (b) any substance or mixture of substances intended to be used as a plant regulator, defoliant, or desiccant; and (c) any spray adjuvant. Pesticides include substances commonly referred to as herbicides, fungicides, insecticides, and cloning agents.

(36) "Perimeter" means a property line that encloses an area.

(37) "Plant" means a cannabis plant.

(38) "Plant canopy" means the square footage dedicated to live plant production, such as maintaining mother plants, propagating plants from seed to plant tissue, clones, vegetative or flowering area. Plant canopy does not include areas such as space used for the storage of fertilizers, pesticides, or other products, quarantine, office space, etc.

(39) "Playground" means a public outdoor recreation area for children, usually equipped with swings, slides, and other playground equipment, owned and/or managed by a city, county, state, federal government, or metropolitan park district.

(40) "Product(s) otherwise taken into the body" means a cannabis-infused product for human consumption or ingestion intended for uses other than inhalation, oral ingestion, or external application to the skin.

(41) "Public park" means an area of land for the enjoyment of the public, having facilities for rest and/or recreation, such as a baseball diamond or basketball court, owned and/or managed by a city, county, state, federal government, or metropolitan park district. Public park does not include trails.

(42) "Public transit center" means a facility located outside of the public right of way that is owned and managed by a transit agency or city, county, state, or federal government for the express purpose of staging people and vehicles where several bus or other transit routes converge. They serve as efficient hubs to allow bus riders from various locations to assemble at a central point to take advantage of express trips or other route to route transfers.

(43) "Recreation center or facility" means a supervised center that provides a broad range of activities and events intended primarily for use by persons under 21 years of age, owned and/or managed by a

charitable nonprofit organization, city, county, state, federal government, or metropolitan park district.

(44) "Residence" means a person's address where he or she physically resides and maintains his or her abode.

(45) "Secondary school" means a high and/or middle school with a physical location: A school for students who have completed their primary education, usually attended by children in grades seven to 12 and recognized by the Washington state superintendent of public instruction.

(46) "Selling price" means the same meaning as in RCW 82.08.010, except that when the product is sold under circumstances where the total amount of consideration paid for the product is not indicative of its true value. Selling price means the true value of the product sold as determined or agreed to by the LCB. For purposes of this subsection:

(a) "Product" means cannabis, cannabis concentrates, useable cannabis, or cannabis-infused products; and

(b) "True value" means market value based on sales at comparable locations in the state of the same or similar product of like quality and character sold under comparable conditions of sale to comparable purchasers. In the absence of such sales of the same or similar product, true value means the value of the product sold as determined by all of the seller's direct and indirect costs attributed to the product.

(47) "Synthetic cannabinoid" includes any chemical compound identified in RCW 69.50.204 (c)[(3)](30)[(dd)](i) or by the pharmacy quality assurance commission under RCW 69.50.201.

(48) "Terpenes" means a class of compounds that impart smell, taste, or both occurring in the cannabis plant which consist of a carbon skeleton derived from isoprene units. The word "terpene" may include, but is not limited to, the following:

(a) "Botanical terpenes" means constituents derived from a spice, fruit, vegetable or vegetable juice, edible yeast, herb, bark, bud, root, or leaf or similar plant material. Their significant function in cannabis products is flavoring. This includes:

(i) Essential oil, which is natural oil typically obtained by distillation and possessing the characteristic fragrance of the plant or other source from which it is extracted;

(ii) Oleoresin, which is a natural or artificial mixture of essential oils and a resin;

(iii) Distillate; or

(iv) Any product of roasting, heating, or enzymolysis which contains terpenes.

(b) "Synthetic terpenes" means any terpene that does not occur in the cannabis plant, or in other botanical sources, and is produced through chemical manipulation in a laboratory or similar facility.

(c) "Terpenoids" means the natural products and related compounds formally derived from isoprene units, or "isoprenoids," that have the same meaning as that found in the current version of the International Union of Pure and Applied Chemistry (IUPAC) and as hereafter amended.

(49) "Tetrahydrocannabinols" has the meaning provided in RCW 69.50.204.

(50) "Total THC" means any tetrahydrocannabinol, as defined in chapter 69.50 RCW, identified in the product testing process measured in milligrams per gram, taking into account the conversion from acidic to neutral form.

(51) "THC concentration" has the meaning provided in RCW 69.50.101.

(52) "Unit" has the meaning provided in RCW 69.50.101.

(53) "WSDA" means the Washington state department of agriculture.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-010, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-010, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-05-075, § 314-55-010, filed 2/17/21, effective 3/20/21. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-010, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-010, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-010, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-010, filed 10/21/13, effective 11/21/13.]

Reviser's note: The brackets and enclosed material in the text of the above section occurred in the copy filed by the agency.

WAC 314-55-013 Voluntary cannabis licensee consultation and education program. (1) **Purpose and scope.** The purpose of this section is to:

(a) Establish a program for cannabis licensee consultation and education visits consistent with the requirements of RCW 69.50.342(3) and 69.50.561;

(b) Establish criteria for the provision of advice, consultation, and education visits including, but not limited to, recommendations on abating violations of this chapter;

(c) Ensure that advice, consultation and education visits are distinguished from inspections, technical visits, or investigations, and are limited to interpretation and applicability of standards in this chapter including, but not limited to, the conditions, structures, machines, equipment, apparatus, devices, materials, methods, means and practices in the licensee's licensed premise; and

(d) Advice, consultation, and educational visits provided under this program do not include business advice concerning issues that may include, but are not limited to, individual business operations, marketing, distribution, financing, profitability, or viability.

(2) Definitions.

(a) For purposes of this chapter, "a direct or immediate relationship to public health and safety" or "a direct or immediate risk to public health and safety" means, where the board can prove by a preponderance of the evidence:

(i) Diversion of cannabis product out of the regulated market or sales across state lines;

(ii) Furnishing of cannabis product to persons under 21 years of age;

(iii) Diversion of revenue to criminal enterprise, gangs, cartels, or parties not qualified to hold a cannabis license based on criminal history requirements;

(iv) The commission of noncannabis-related crimes; or

(v) Knowingly making a misrepresentation of fact to the board, an officer of the board, or an employee of the board related to the conduct or action that is, or is alleged to be, any of the violations identified in (a)(i) through (iv) of this subsection.

(vi) Violations outlined in WAC 314-55-509 (1)(a), (b), and (c), and more fully described in WAC 314-55-520, 314-55-521, and 314-55-522.

(b) The definitions contained in chapters 314-55 WAC and 69.50 RCW also apply to this section.

(3) Request for consultation.

(a) A cannabis licensee or their designee may make one request for advice and consultation per year by completing and submitting an application to request consultation through the board's website. Additional requests may be considered at the board's discretion.

(b) A board representative will schedule and complete advice and consultation visits within 45 calendar days of receipt of the request for consultation.

(i) If the cannabis licensee or designee, or the board representative requires more than 45 calendar days to schedule and complete the consultation visit, the board representative may extend the completion deadline.

(ii) If the deadline is extended, at the licensee's request, more than 60 days after the board's receipt of the request for consultation, the cannabis licensee must resubmit a request for consultation consistent with this section.

(4) Advice and consultation services.

(a) Advice and consultation services offered in connection with a request for consultation do not preclude informal requests, or usual and customary interactions between licensees, the board, or any board staff.

(b) Regulatory issues described in this chapter observed during the course of an advice, consultation, and education visit are not subject to disciplinary action unless the identified issue has a direct or immediate relationship to public health and safety.

(c) Advice, consultation, education, and any written report or documentation provided under this section is limited to the matters specified in the request for consultation. At the request of the licensee, a consultation may include:

(i) An initial meeting to explain the licensee's rights and obligations;

(ii) A walk-through visit to evaluate the compliance concerns specified in the request for consultation;

(iii) A closing meeting to discuss conditions noted during the initial visit to make recommendations;

(iv) A written report of conditions found in the cannabis licensee's place of business and any recommendations or agreements made; or

(v) A follow-up visit, if appropriate, to ensure that the conditions specified in the request for consultation have been satisfactorily abated.

(d) If an identified condition is not a direct or immediate risk to public health and safety, the condition will be documented in the appropriate database as part of the consultation visit, and will include the following:

(i) A detailed description of the condition that is not in compliance;

(ii) The full text of the specific section or subsection of the statute or rule applicable to the condition that is not in compliance;

(iii) A statement and complete description of the actions and steps the licensee or their designee must take to achieve compliance;

(iv) The date, method of service, name, and signature of the licensee, their designee, or both participating in the visit; and

(v) The date that the licensee or their designee must achieve compliance. This date may be mutually agreed upon by the board representative and the licensee or their designee, and may be based on a variety of factors including, but not limited to, the cost and severity of the conditions to be abated.

(e) A consultation report or notice to correct made by a board representative under this section is not a formal enforcement action.

(f) The board representative will provide the licensee or their designee with instructions regarding how to request an extension of time consistent with subsection (5) of this section.

(g) The board representative may perform a follow-up visit within 60 days of the mutually agreed upon compliance date based on the severity of the conditions described in this section.

(5) Licensee responsibilities.

(a) A cannabis licensee or their designee agrees to work with the board representative to schedule a consultation visit at a mutually agreed upon date and time.

(b) A cannabis licensee or their designee agrees to make reasonable efforts to correct or abate all conditions identified in the statement of conditions within the mutually agreed upon date and time.

(c) If a cannabis licensee or their designee is unable to correct or abate all of the conditions identified in the statement of conditions, the licensee or their designee may request an extension of time by submitting a written request. The written request must describe:

(i) The need for the extension;

(ii) Confirmation of the steps taken to abate the conditions described in the statement of conditions; and

(iii) A proposed abatement date.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-013, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.561. WSR 20-21-056, § 314-55-013, filed 10/14/20, effective 11/14/20.]

WAC 314-55-015 General information about cannabis licenses. (1)

To be issued and maintain a license to produce, process, or sell cannabis at retail, a person or entity applying for a cannabis license must meet all of the qualifications described in this chapter.

(2) All applicants, licensees, and employees working in each licensed establishment must be at least 21 years of age. Persons, as defined in RCW 69.50.101, who are under 21 years of age must not:

(a) Enter or remain on the licensed premises of a cannabis licensee except as provided in RCW 69.50.357 or as provided in subsections (3) and (4) of this section.

(b) Possess any products associated with the production, processing, or sales of cannabis. Violations of this subsection are subject to the same penalties established for allowing persons under 21 years of age to frequent a retail licensed premises under WAC 314-55-525.

(3) Persons under the age of 16 who are children or grandchildren of the licensees may enter or remain on the licensed premises of a cannabis producer or processor, as provided in this subsection. Violations of this subsection are subject to the same penalties established for failure to maintain required surveillance system under WAC 314-55-522.

(a) The person does not enter or remain in areas where cannabis is present including, but not limited to, those areas where cannabis

is grown, dried, cured, trimmed, processed in any manner, stored, or being prepared for shipment, unless accompanied by and under the direct supervision of the licensee.

(b) The licensee is on the licensed premises at all times while their child or grandchild is present.

(4) A licensed producer or processor may allow a person under 21 years of age to enter or remain on the licensed premises under the conditions outlined in this subsection.

(a) The person under 21 years of age is:

(i) At least 18 years of age.

(ii) Employed by a licensed plumbing contractor under chapter 18.106 RCW, or licensed electrical contractor under chapter 19.28 RCW, or a contractor registered with the Washington state department of labor and industries as required under chapters 18.27 RCW and 296-200A WAC.

(iii) On the licensed premises only during the course of their official employment providing contracted services to the licensee and does not remain on the premises any longer than is necessary to perform duties associated with their employment.

(iv) Accompanied at all times by either:

(A) A supervisor who is employed by the same licensed or registered contractor and who is at least 21 years of age; or

(B) A general contractor with supervisory authority and control over the workplace who is at least 21 years of age.

(b) In addition to requirements under WAC 314-55-083, including wearing an identification badge while on the premises, licensees must record the following information about employees of contractors in the visitor log:

(i) If the employee is under 21 years of age; and

(ii) The name of contractor business for whom employee is engaged in work while on the licensed premises.

(5) Mandatory signs must be conspicuously posted at all cannabis licensed premises consistent with the requirements in WAC 314-55-086.

(6) The privileges of a board issued cannabis license may be used only after the board issues official written approval.

(7) The board will not approve an application for a cannabis license under any of the following circumstances:

(a) The proposed cannabis location would limit law enforcement access without notice or cause, including a personal residence;

(b) The proposed cannabis business would be located on federal lands;

(c) The proposed cannabis business would be located within the exterior boundaries of the reservation of a federally recognized tribe without the express written consent of the tribe consistent with WAC 314-55-020(4).

(d) The application for a cannabis retail license is located within another business unless that other business is a research license as described in WAC 314-55-073. More than one license may be located in the same building if each licensee has their own area separated by full walls with their own entrance, or if the same business entity holds a producer license and a processor license at the same location under a single license number. Product may not be commingled.

(8) The board may impose special conditions to an approval for a cannabis license. Special conditions include, but are not limited to, involvement of any former licensee in the operations of the licensed business, their former employees, or any person not qualifying for a cannabis license.

(9) All cannabis licensees must conspicuously post and keep posted its license, or licenses, and any additional correspondence issued by the board describing special conditions.

(10) A cannabis licensee must use sanitary practices in the production, processing, storage, and sale of all cannabis products.

(11) Cannabis licensees may not allow the consumption of cannabis or cannabis-infused products on or within the licensed premises.

(12) Nothing in this section conflicts with RCW 9.41.300 as the entire premises remain classified as off-limits to persons under 21 years of age from the general public.

[Statutory Authority: RCW 69.50.325, 69.50.342, and 69.50.345. WSR 25-13-114, s 314-55-015, filed 6/18/25, effective 7/19/25. Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-015, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-015, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-015, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-015, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-015, filed 10/21/13, effective 11/21/13.]

WAC 314-55-017 Conditional sales prohibited. Conditional sales of cannabis products are prohibited.

(1) Cannabis producers and processors are prohibited from requiring the purchase of other products and/or services by another cannabis licensee as a condition of a transaction of cannabis product. Products and services include, but are not limited to, paraphernalia, lighters, promotional items, unreasonable processing and/or packaging charges.

(2) Cannabis retailers are prohibited from requiring a customer to purchase other products and/or services as a condition to purchasing a cannabis product. Products and services include, but are not limited to, paraphernalia, lighters, promotional items, memberships, and bags, boxes, or containers.

(3) The selling price of cannabis product must be indicative of the true value when sold without any other products or services.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-017, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 15-11-107, § 314-55-017, filed 5/20/15, effective 6/20/15.]

WAC 314-55-018 Prohibited practices—Money advances—Contracts—Gifts—Rebates, discounts, and exceptions, etc. (1) No industry member or licensee shall enter into any agreement which causes undue influence over another licensee or industry member. This rule shall not be construed as prohibiting the placing and accepting of orders for the purchase and delivery of cannabis that are made in accordance with usual and common business practice and that are otherwise in compliance with chapter 69.50 RCW and this chapter.

(2) No cannabis producer or processor shall advance and no cannabis licensee shall receive money or moneys' worth under an agreement

written or unwritten or by means of any other business practice or arrangement such as:

- (a) Gifts;
- (b) Discounts;
- (c) Loans of money;
- (d) Premiums;
- (e) Rebates;

(f) Free product of any kind except as allowed by WAC 314-55-096 and RCW 69.50.585; or

(g) Treats or services of any nature whatsoever except such services as are authorized in this section and under RCW 69.50.585.

(3) "Industry member" means a licensed cannabis producer, cannabis processor, cannabis retailer, cannabis transportation licensee, cannabis research licensee, their authorized representatives, and including, but not limited to, any affiliates, subsidiaries, officers, partners, financiers, agents, employees, and representatives of any licensee.

(4) Consistent with WAC 314-55-017, no industry member or employee thereof shall sell to any cannabis licensee or solicit from any such licensee any order for any cannabis tied in with, or contingent upon, the licensee's purchase of some other cannabis, or any other merchandise, paraphernalia, property, or service.

(5) If the LCB finds in any instance that any licensee has violated this section, then all licensees involved in the violation shall be held equally responsible.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-018, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-018, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-018, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-018, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-018, filed 5/20/15, effective 6/20/15.]

WAC 314-55-020 Cannabis license qualifications and application process—Licensing change requests. Each cannabis license application is unique and evaluated individually. The board may inquire and request documents regarding all matters in connection with the cannabis license application.

(1) **Cannabis license qualification criteria and application process.** To be issued a license, all cannabis license applicants must meet the qualifications required by the board. The board will verify that the proposed business meets the minimum requirements for the type of cannabis license requested. The qualifications and application process for a cannabis license include:

(a) **A background check** to evaluate whether the applicant qualifies for a license, consistent with WAC 314-55-040 and 314-55-045.

(i) The background check includes completion of a personal and criminal history form provided by the board. The applicant is responsible for paying all fees required by the Washington state patrol and the Federal Bureau of Investigation.

(ii) Financiers are subject to background checks equivalent to that of a license applicant. Financiers are responsible for paying all

fees required by the Washington state patrol and the Federal Bureau of Investigation.

(b) **Inquiry** to verify the source of funds used to acquire an existing business and start the business, the applicant's right to the real and personal property, and to verify the true party or parties of interest.

(c) **An inspection** of the proposed or currently licensed business location to determine if the applicant has met all of the requirements of the license or proposed changes to the licensed premises.

(d) **A residency check to confirm Washington state residency.** Under RCW 69.50.331 (1)(b), all applicants applying for a cannabis license must have resided in the state of Washington for at least six months prior to applying for a cannabis license.

(i) All business entities including, but not limited to, partnerships, employee cooperatives, associations, nonprofit corporations, corporations and limited liability companies applying for a cannabis license must be formed in Washington state.

(ii) All members, governors, or agents of business entities must also meet the six-month residency requirement. Managers or agents who manage a licensee's place of business must also meet the six-month residency requirement.

(e) **Applicants must be current in any tax obligations** to the Washington state department of revenue and other state agencies, as an individual or as part of any entity in which they have an ownership interest. Applicants must sign an attestation that, under penalty of denial or loss of licensure, statements concerning the status of tax obligations are true and correct.

(f) **Operating plan.** Each cannabis license applicant must submit an operating plan outlining required elements for the location as provided in this chapter pertaining to the type of license being sought. The operating plan must be submitted using an operating plan template supplied by the board. The operating plan must also include a floor plan or site plan drawn to scale that illustrates the entire operation being proposed.

After obtaining a license, the license holder must notify the board's licensing and regulation division and receive prior approval before making any changes in their operating plan, floor plan, or both.

(g) If an applicant does not respond to the board's licensing and regulation division requests for information, documentation, or both within the timelines provided, the application may be administratively withdrawn, closed or denied.

(2) **Certificate of compliance.** Consistent with RCW 69.50.331 (8)(e), the board will issue a certificate of compliance if the proposed business premises meets the minimum distance requirements as of the date the application was received by the board. If the physical location changes during the application process, the certificate of compliance will be issued for the date that the premises change was received by the board. Applicants who were granted licenses prior to adoption of this rule may operate their business at the location notwithstanding a later occurring, otherwise qualifying minimum distance factor.

(3) **Notice of cannabis license application.** Consistent with RCW 69.50.331 the board will send a notice to cities and counties, tribal governments, and port authorities regarding the cannabis license application within the jurisdiction. The local authority, tribal government, or port authority has 20 days to respond with a recommendation

to approve the application or an objection to the applicant, location, or both.

(4) **Notice of cannabis license application to tribal governments.** Consistent with RCW 69.50.331, the board will send a notice to tribal governments when an applicant or licensee proposes to be located within the exterior boundaries of the reservation of a federally recognized Indian tribe. The tribal government has 20 days to respond with an approval to the application. If written approval is not received within 30 days, the board assumes the tribe does not consent to the applicant's location and the applicant must find a new location.

(5) **Displaying notice of new cannabis license application or application for change of location of an existing licensed business.** Applicants for a new cannabis producer, processor, retailer, transportation, or research license or those who apply to change their location must display a notice provided by the board on the outside of the premises to be licensed notifying the public that the premises are subject to an application for a cannabis license. The notice must be posted within seven days of submitting the location confirmation form for new licenses or the change of location application for existing licensees. The board may check for compliance with this requirement at its discretion. The notice must:

(a) Not be changed. The licensee must post the notice sent by the board without changing the text in any way;

(b) Be noticeably displayed on, or immediately next to, the premises subject to the application and in the location that is most likely to be seen by the public;

(c) Be of a size that can be readily seen by the public. At a minimum these notices must be 8 1/2 x 11 inches;

(d) Be posted within seven business days of the date the notice is sent to the applicant by the board; and

(e) The notice must be posted for 14 consecutive days.

(6) **Application holds and withdrawals.** The board may place licensing change applications made by a licensee on hold if the change application is reasonably related to an ongoing investigation.

(a) The board may withdraw licensing change applications pending the results of an adjudicative proceeding regarding a violation of this chapter. Depending on the outcome of the adjudicative proceeding, the licensee may reapply for the withdrawn licensing change application(s).

(b) Examples of licensing change applications that may be affected under this subsection include:

(i) Application for additional funding;

(ii) Application to add a medical cannabis endorsement;

(iii) Assumption of a license;

(iv) Change in governing people, percentage owned, or stock/unit ownership;

(v) Change of location;

(vi) Expanding plant canopy to maximum allotted;

(vii) Request to change cannabis site or operating plan;

(viii) Request to add a processor license; or

(ix) Splitting a producer or processor license.

(7) **Industry tracking.**

(a) To help the board track employment and personnel trends of the industry as it continues to develop, the board requests that applicants seeking new licensure and licensees seeking license renewal provide the following information:

(b) Employee compensation and benefit data:

(i) Whether the applicant/licensee provide a living wage (at least 150 percent of the state minimum wage) to 85 percent or more of its hourly employees;

(ii) Whether the applicant/licensee will provide health insurance to at least 85 percent of its hourly employees;

(iii) Whether the applicant/licensee will provide a defined benefit pension plan to at least 85 percent of its employees;

(iv) Whether the applicant/licensee will provide five or more paid sick days annually to at least 85 percent of its employees;

(v) Whether there is a signed labor peace agreement or collective bargaining agreement with a labor organization in place.

(8) The issuance or approval of a license is not a license for, or an approval of, any violation of local rules or ordinances including, but not limited to: Building and fire codes, zoning ordinances, and business licensing requirements.

(9) **Social equity applicant.** A person qualifying for the social equity in cannabis program under WAC 314-55-570 may apply for a cannabis license consistent with the provisions of this chapter.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-020, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-02-096, § 314-55-020, filed 1/6/21, effective 2/6/21. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-020, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-020, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-020, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-020, filed 10/21/13, effective 11/21/13.]

WAC 314-55-035 Qualifying for a cannabis license. A cannabis license must be issued in the name(s) of the true party(ies) of interest. The board may conduct an investigation of any true party of interest who exercises control over the applicant's business operations. This may include financial and criminal background investigations.

(1) **True parties of interest.** True parties of interest must qualify to be listed on the license, and meet residency requirements consistent with this chapter. For purposes of this title, "true party of interest" means:

Entity	True party(ies) of interest
Sole proprietorship	Sole proprietor
General partnership	All partners
Limited partnership, limited liability partnership, or limited liability limited partnership	All general partners All limited partners
Limited liability company (LLC)	All LLC members All LLC managers
Privately held corporation	All corporate officers and directors (or persons with equivalent title) All stockholders

Entity	True party(ies) of interest
Multilevel ownership structures	All persons and entities that make up the ownership structure
Any entity(ies) or person(s) with a right to receive revenue, gross profit, or net profit, or exercising control over a licensed business	Any entity(ies) or person(s) with a right to receive some or all of the revenue, gross profit, or net profit from the licensed business during any full or partial calendar or fiscal year Any entity(ies) or person(s) who exercise(s) control over the licensed business
Nonprofit corporations	All individuals and entities having membership rights in accordance with the provisions of the articles of incorporation or bylaws

(2) A married couple may not be a true party of interest in more than five retail cannabis licenses, more than three producer licenses, or more than three processor licenses. A married couple may not be a true party of interest in a cannabis retailer license and a cannabis producer license or a cannabis retailer license and a cannabis processor license.

(3) The following definitions apply to this chapter unless the context clearly indicates otherwise:

(a) "Control" means the power to independently order, or direct the management, managers, or policies of a licensed business.

(b) "Financial institution" means any bank, mutual savings bank, consumer loan company, credit union, savings and loan association, trust company, or other lending institution under the jurisdiction of the department of financial institutions.

(c) "Gross profit" means sales minus the cost of goods sold.

(d) "Net profit" means profits minus all other expenses of the business.

(e) "Revenue" means the income generated from the sale of goods and services associated with the main operations of business before any costs or expenses are deducted.

(4) For purposes of this chapter, "true party of interest" does not include (this is a nonexclusive list):

(a) A person or entity receiving payment for rent on a fixed basis under a lease or rental agreement. Notwithstanding, if there is a common ownership interest between the applicant or licensee, and the entity that owns the real property, the board may investigate all funds associated with the landlord to determine if a financier relationship exists. The board may also investigate a landlord in situations where a rental payment has been waived or deferred.

(b) A person who receives a bonus or commission based on their sales, so long as the commission does not exceed 10 percent of their sales in any given bonus or commission period. Commission-based compensation agreements must be in writing.

(c) A person or entity contracting with the licensee(s) to receive a commission for the sale of the business or real property.

(d) A consultant receiving a flat or hourly rate compensation under a written contractual agreement.

(e) A person with an option to purchase the applied for or licensed business, so long as no money has been paid to the licensee under an option contract or agreement for the purchase or sale of the licensed business, or a business that is applying for a license.

(f) Any business or individual with a contract or agreement for services with a licensed business, such as a branding or staffing company, will not be considered a true party of interest, as long as the licensee retains the right to and controls the business.

(g) A financial institution.

(5) Notification.

(a) Except as provided in this subsection (4)(a)(i), (ii), and (iii), after licensure the licensee must continue to disclose the source of all funds to be invested in the licensed business, including all funds obtained from financiers, prior to investing the funds into the licensed business.

(i) Revenues of the licensed cannabis business that are reinvested in the business do not require notification or vetting by the board.

(ii) Proceeds of a revolving loan where such loan has been approved by the board within the three previous years do not need to be vetted by the board, unless the source of the funds has changed or the approved loan amount has increased.

(iii) If the source of funds is an identified true party of interest on the license, or a previously approved financier associated with the license, or a previously approved revolving loan, the board will allow these funds to be used upon receipt of an application to use such funds. The board will then investigate the source of funds. If the board cannot verify the source of funds after reasonable inquiry, or the board determines that the funds were obtained in a manner in violation of the law, the board may take actions consistent with the provisions of this chapter.

(b) Licensees must receive board approval before making any ownership changes consistent with WAC 314-55-120.

(c) Noncompliance with the requirements of this section may result in action consistent with this chapter.

(6) Disclosure agreements and intellectual property.

(a) Licensed cannabis businesses may enter into agreements consistent with the provisions of RCW 69.50.395.

(b) Notwithstanding the foregoing, no producer or processors may enter into an intellectual property agreement with a retailer.

(7) Financiers.

(a) Consistent with WAC 314-55-010(21), a financier is any person or entity, other than a financial institution or a government entity, that provides money as a gift, a grant, or loans money to an applicant, business, or both, and expects to be paid back the amount of the loan, with or without reasonable interest.

(b) A financier may not receive an ownership interest, control of the business, a share of revenue, gross profits or net profits, a profit sharing interest, or a percentage of the profits in exchange for a loan or gift of funds, unless the financier, if directly involved in the loaning of funds, receives board approval and has qualified on the license as a true party of interest.

(c) Washington state residency requirements do not apply to financiers who are not also a true party of interest, but all financiers must reside within the United States.

(d) The board will conduct a financial and criminal background investigation on all financiers.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-035, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-035, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, 69.50.395 and 2019 c 380. WSR 20-18-099, § 314-55-035, filed 9/2/20, effective 10/3/20. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-035, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-035, filed 10/21/13, effective 11/21/13.]

WAC 314-55-040 Cannabis applicant or licensee background checks.

(1) The board conducts a background check of a new applicant or for license renewals to evaluate whether the applicant or licensee qualifies or regualifies for a license. The background check includes a criminal record check through the Washington state patrol and the Federal Bureau of Investigations database.

(2) **Review and evaluation of information produced by background checks.** The board will review the information produced by background checks to determine whether the applicant or licensee qualifies for a new or renewed license. Information from the background check may not preclude approval, but will be considered in determining the applicant's eligibility for licensure.

(3) The board will conduct a threshold review for the following types of convictions:

Conviction Type	Conviction Class	Time Consideration	Determination
Felonies	Class A and B convictions	10 years	Threshold review if 1 or more
	Class C convictions	7 years	Threshold review if 2 or more
Misdemeanors	Gross misdemeanors and misdemeanors	3 years	Threshold review if 3 or more

(a) Active state supervision and active federal supervision resulting in determination of threshold review.

(b) The board will conduct a threshold review of any license applicant or license renewal if the background check indicates that the applicant or renewing licensee is under active state supervision, active federal supervision, or both.

(4) **Pending criminal charge review and evaluation.** The board will review and evaluate the applicant or renewing licensee's pending criminal charges. Review and evaluation criteria include, but are not limited to:

(a) A determination of whether the convictions of pending charge(s) alone or compiled would put an individual over the conviction allowance above.

(b) The application may be placed on hold for 90 days and if there is no disposition within 90 days, the application will be withdrawn.

(5) **Threshold review evaluation criteria.** When a background check results in a determination for a threshold review, the board will consider the following criteria:

(a) Time since the conviction, or pending offenses;

(b) Nature and specific circumstances of the offense;

- (c) Relationship of the offense or incident to the nature of the work performed;
 - (d) Number of offenses or incidents;
 - (e) If criminal, any relevant evidence of rehabilitation, such as information about compliance with conditions of parole or probation, including orders of no contact with victims and witnesses, and the individuals conduct and experience since the time of the offense; and
 - (f) Any other relevant information, including information submitted by the applicant or licensee, or requested by the board.
- (6) **Continued reporting.** Cannabis licensees must report any criminal convictions to the board within 30 days. New convictions will be considered upon receipt or at the time of renewal.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-040, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.331 and 69.50.342. WSR 21-18-125, § 314-55-040, filed 9/1/21, effective 10/2/21. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-040, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-040, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-040, filed 10/21/13, effective 11/21/13.]

WAC 314-55-045 Cannabis license applicant administrative violation review. (1) The board will determine if a cannabis license applicant has been issued any administrative violations under this chapter.

(2) The presence of administrative violation history will not result in automatic application denial, but will be considered in determining the applicant's eligibility for licensure. The board will not normally issue a cannabis license to a person, or an entity with a true party of interest who has the following violation history within the following periods of consideration:

Violation Type (See WAC 314-55-509)	Period of Consideration
Three or more Category II violations (WAC 314-55-521) or Category III violations (WAC 314-55-522)	Violations issued within two years of the date the application is received by the board's licensing and regulation division.
Four or more Category IV violations (WAC 314-55-523)	
One to four or more Category V violations (WAC 314-55-524) or Category VI violations (WAC 314-55-525)	

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-045, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-045, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-045, filed 10/21/13, effective 11/21/13.]

WAC 314-55-050 Withdrawal, denial, suspension, or cancellation of a cannabis license application or license. (1) The board has the discretion to withdraw, deny, suspend, or cancel a cannabis license application or license consistent with RCW 69.50.331, for reasons including, but not limited to, the following:

(a) Not meeting the initial or ongoing qualifications, requirements, or both for a specific cannabis license, as outlined in this chapter and chapter 69.50 RCW;

(b) Not submitting information or documentation requested by the board during the application evaluation process;

(c) Misrepresenting fact, or not disclosing a material fact to the board during the application process or any review or follow-up review that may occur after a license has been issued;

(d) Not meeting the background check standards outlined in WAC 314-55-040;

(e) Not meeting the cannabis law or rule violation history standards outlined in WAC 314-55-045;

(f) Using funds that cannot be verified for the acquisition, startup and operation of the business, or obtained in a way that violates the law;

(g) Not allowing the board or its authorized representative access to any place where a licensed activity takes place;

(h) Not producing any book, record or document required by law or board rule;

(i) The applicant or licensee has had a cannabis license or medical cannabis license denied, suspended, or canceled in another state or local jurisdiction;

(j) The city, county, tribal government, or port authority has submitted a substantiated objection to the application or against the premises for which the new or renewed license is requested, as described in RCW 69.50.331 (7) and (10).

(k) The applicant or licensee has not paid taxes or fees required under chapter 69.50 RCW or did not provide production, processing, inventory, sales and transportation reports or documentation required under this chapter.

(l) The applicant or licensee did not submit an attestation that they are current in any tax obligations to the Washington state department of revenue.

(m) The applicant or licensee has been denied a liquor or cannabis license or had a liquor license or cannabis license suspended or revoked in this or any other state.

(n) The operating plan submitted with the application does not demonstrate that the applicant meets the criteria for licensure.

(o) The applicant or licensee does not operate their business consistent with the operating plan approved by the board.

(p) The board determines the issuance of the license will not be in the best interest of the welfare, health, or safety of the people of the state.

(2) Except as provided in subsection (3) of this section, the board will not issue a new cannabis license if the proposed licensed business is within 1,000 feet of the perimeter of the grounds of any of the facilities listed in (a) through (h) of this subsection. The distance will be measured as the shortest straight line distance from the property line of the proposed building or business location to the property line of the entities listed below:

(a) Elementary or secondary school;

(b) Playground;

- (c) Recreation center or facility;
- (d) Child care center;
- (e) Public park;
- (f) Public transit center;
- (g) Library; or
- (h) Any game arcade (where admission is not restricted to persons age 21 or older).

(3)(a) A city or county may, by local ordinance, permit cannabis businesses licensing within 1,000 feet but not less than 100 feet of the facilities listed in subsection (2) of this section except elementary and secondary schools, and playgrounds.

(b) If an applicant applies for a cannabis license at a location less than 1,000 feet of a recreation center or facility, child care center, public park, public transit center, library, or game arcade, the applicant must provide the LCB with a copy of the local ordinance that describes the distance required by the city or county where the facility will be located.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-050, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-050, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-050, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-050, filed 5/18/16, effective 6/18/16; WSR 14-06-108, § 314-55-050, filed 3/5/14, effective 4/5/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-050, filed 10/21/13, effective 11/21/13.]

WAC 314-55-055 Cannabis retailer license forfeiture. (1)(a) A cannabis retailer's license is subject to forfeiture if the retailer is not fully operational and open to the public after 12 months of issuance of the license. No cannabis retailer's license is subject to forfeiture within the first nine months of issuance.

(b) Fully operational means the business meets the following criteria for at least 12 consecutive weeks within a 12-month period after issuance of the license:

(i) The business is open to the public for a minimum of five hours a day between the hours of 8:00 a.m. and 12:00 midnight, three days a week;

(ii) The business posts hours of operation outside of the premise in the public view; and

(iii) The business reports monthly sales from the sale of cannabis products and pays applicable taxes.

(2) A cannabis retailer's license will not be subject to forfeiture if the licensee is not able to open a fully operational retail cannabis business based on actions by the city, town, or county with jurisdiction over the licensed business including:

(a) The adoption of a ban or moratorium that prohibits the retail cannabis business from opening; or

(b) The adoption of an ordinance or regulation related to zoning, business licensing, land use, or other regulatory measure that has the effect of preventing a licensee from receiving an occupancy permit from the jurisdiction or which otherwise prevents a licensed cannabis retailer from becoming operational.

(3) Exceptions to license forfeiture.

(a) The board has the sole discretion to grant exceptions to the license forfeiture process if a cannabis retailer licensee experiences circumstances that are out of their control such as a natural disaster.

(b) Sufficient documentation is required to verify any of the exceptions to license forfeiture in this section. Licensees must inform the board if conditions change, such as an adjustment to zoning requirements, changes to a ban or moratorium, or other circumstances that would allow the licensee to operate.

(c) If the underlying condition exempting a cannabis retail license from forfeiture under subsection (2) of this section or (a) of this subsection is removed, then the 12-month time frame to become fully operational and open to the public requirement under subsection (1) of this section will begin from the time the condition exempting the retail license from forfeiture is removed.

(4) A cannabis retail licensee who receives a notice of license forfeiture under this section from the LCB may request an administrative hearing under chapter 34.05 RCW. A request for a hearing must be made in writing and received by the LCB no later than 20 days after service of the notice. Requests submitted in paper form may be delivered to the LCB in person during normal business hours at 1025 Union Avenue S.E., Olympia, WA 98504, or mailed to the LCB. Mailed appeal requests must be addressed to: LCB, ATTN: Adjudicative Proceedings Coordinator, P.O. Box 43076, Olympia, WA 98504-3076 or, for certified mail, LCB, ATTN: Adjudicative Proceedings Coordinator, 1025 Union Avenue S.E., Olympia, WA 98504.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-055, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-055, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, and 69.50.345. WSR 18-12-046, § 314-55-055, filed 5/30/18, effective 6/30/18.]

WAC 314-55-070 Cannabis license application denial. If the board denies a cannabis license application, an applicant or applicants may:

(1) Request an administrative hearing consistent with chapter 34.05 RCW, the Administrative Procedure Act.

(2) Reapply for the license not earlier than one year from the date of the final order of denial.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-070, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-070, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-070, filed 10/21/13, effective 11/21/13.]

WAC 314-55-073 Cannabis research license. A cannabis research license allows a holder of the license to produce, process, and possess cannabis for the limited research purposes provided in RCW 69.50.372. The WSLCB designates a scientific reviewer (reviewer) to review research applications and make recommendations for the approval

or denial of research projects and to assess licensed research activities. The following provisions are in addition to the requirements for cannabis research licensees provided in RCW 69.50.372.

(1) Eligibility and continuing requirements for research license applications, prohibitions and restrictions.

(a) Other than the restrictions listed in this subsection, any person, organization, agency, or business entity may apply for a cannabis research license.

(b) Other cannabis licensees may apply for a research license. Facilities at which the research is conducted must be wholly separate and distinct from the cannabis business, except:

(i) Licensed producers with a research license and approved research project may grow cannabis plants or possess cannabis for research purposes at the producer's licensed premises. However, all cannabis grown or possessed for research purposes or purposes other than those related to the research project must be kept wholly separated and distinct from commercial operations and must not be comingled with or diverted to cannabis grown for commercial purposes or purposes other than those related to the research project; and

(ii) Licensed processors with a research license and approved research project may possess cannabis for research purposes at the processors licensed premises. However, all cannabis possessed for research purposes must be kept wholly separated and distinct from all cannabis possessed for commercial purposes or purposes other than those related to the research project and must not be comingled with or diverted to cannabis possessed for commercial purposes or purposes other than those related to the research project. Licensed processors who do not also hold a producer license may not grow cannabis plants for the purposes of research under a research license at the processor's licensed location.

(c) Labs certified to perform quality assurance testing on cannabis and cannabis products by the WSLCB may apply for a research license. Certified labs with a research license and approved research project must ensure that all cannabis possessed for research purposes is wholly separated from and is not comingled with cannabis possessed for state required testing purposes for licensed producers or processors or cannabis possessed for any reason other than research purposes.

(d) All research license applicants and persons conducting research under the research license must be 21 years of age or older.

(e) All research license applicants and those persons that have managing control over an organization, agency, or business entity must pass a criminal background check and financial investigation prior to being eligible to receive a research license.

(f) Except as otherwise provided by chapter 69.50 RCW and agency rule, no applicant for a research license may possess any cannabis plants or cannabis for research purposes unless and until the research project is approved and the applicant is notified that the research license is approved in writing by the WSLCB.

(g) No research licensee may conduct research unless and until the research project is approved by the reviewer and the WSLCB in writing.

(2) Initial applications.

(a) Application made with business licensing services (BLS).

(i) Applicants for a research license must apply through BLS to begin the application process for a research license.

(ii) Upon submitting an application for a research license through BLS, the applicant will receive an application letter from the

WSLCB directing the applicant to submit the additional application materials directly to the WSLCB's designated scientific reviewer (reviewer).

(A) The applicant must submit complete and accurate additional application materials directly to the reviewer within 30 days of the date of the application letter from the WSLCB or by the date indicated on the application letter. It is the responsibility of the research license applicant to comply with the application requirements in this section and ensure the application is complete, accurate, and successfully submitted to the reviewer.

(B) Incomplete or incorrect additional application materials, materials that do not adhere to the content requirements in this section, or materials not received by the reviewer by 5:00 p.m. on the 30th day or the application date as indicated on the letter from the WSLCB will not be considered by the reviewer and the WSLCB will withdraw the application after receiving notice in writing from the reviewer.

(b) **Additional application materials requirements.**

(i) Application materials that do not adhere to the content requirements in this section or incomplete or incorrect applications will be withdrawn.

(ii) The applicant is responsible for ensuring that no information is included in the research plan that may compromise the applicant's ability to secure patent, trade secret, or other intellectual property protection. All application documents must be submitted by a person who has the legal authority to represent the entity if the applicant is an entity other than an individual person.

(iii) All documents must be submitted to the reviewer in a legible PDF format.

(iv) All of the following information and documents are required for each initial application:

(A) A completed cover page form, cannabis research license application form, and signature page form created by the WSLCB and available at the WSLCB's website at lcb.wa.gov.

(B) A research plan limited to eight pages, not including references or citations, that includes the following information:

(I) Purpose and goal(s) of the proposed research project(s);

(II) Key milestones and timelines for the research project(s);

(III) Background and preliminary studies;

(IV) Amount of cannabis to be grown, if applicable, including the justification with respect to milestone tasks;

(V) Anticipated cost of the proposed research project(s) and funding available for the work. The scientific reviewer may request additional information or ask clarifying questions about the cost of the proposal to determine whether the budget meets the scope and design of the proposed project;

(VI) Key personnel and organizations, including names and roles;

(VII) Facilities, equipment, and other resources required and available for conducting the proposed research project(s).

(C) A biosketch for each individual involved in executing the proposed research project limited to two pages per individual performing technical and administrative functions essential to performing the proposed research, including proof that the individual is 21 years of age or older. Biosketches must be prepared using the National Institutes of Health (NIH) biographical sketch format, available at <http://grants.nih.gov/grants/forms/new-renewal-revisions.htm>.

(D) Letters of support limited to two pages per letter confirming the commitment of time and resources from external personnel or organizations if external personnel or organizations will participate in research activities under an approved research project. Letters of support are required to confirm the commitment of time and resources from personnel involved in the proposed research project(s) who are not employed at the applicant organization. Letters of support must include specific details regarding the type(s) and magnitude of the time and resources being committed to the proposed research project(s) and must be signed by individuals having the authority to make such commitments.

(E) For all project(s) involving human or animal subjects, documentation of all required institutional review board (IRB) or institutional animal care and use committee (IACUC) approvals. Documents must be provided on IRB or IACUC letterhead and be signed by authorized officials of those regulatory bodies.

(v) Documents that do not conform to the requirements in subsection (b) of this section may be withdrawn. All nonform documents must conform to the following requirements:

(A) Eight and one-half by 11-inch portrait-oriented page dimensions;

(B) Single-spaced with all margins measuring at least one inch; and

(C) At least 12-point font in Times New Roman or Arial, not proportionately reduced.

(c) **Review by the WSLCB's designated scientific reviewer.**

(i) If the applicant submits application materials to the reviewer by the required deadline specified by the WSLCB's application letter and the reviewer determines the additional application materials are complete and meet the document requirements specified in this section, the reviewer will proceed with reviewing the research project to evaluate whether the project complies with the provisions of RCW 69.50.372 (1) and (2). The scientific reviewer may require the applicant to provide additional information if the scientific reviewer determines that more information is necessary to complete the review.

(ii) When evaluating research projects, the reviewer must:

(A) Ensure confidentiality;

(B) Screen members of the reviewer panel for any conflicts of interest and take appropriate measures if a conflict of interest is identified;

(C) Review all information, including the budget, to evaluate whether the scope and design of the proposed project matches the budget and resources of the applicant; and

(D) The scientific reviewer may require the applicant to submit to a site inspection. The site inspection may occur after the initial review and before the license is issued to evaluate the adequacy of the location, facilities, or equipment to complete the proposed project.

(iii) The reviewer will assess fees for the review of the research project proposal directly to the applicant pursuant to RCW 69.50.372(7). The reviewer will not recommend approval of an application for any research license for which an unpaid balance of fees to the reviewer is due regardless of the recommendation of the reviewer regarding the sufficiency of the research project.

(iv) If at any time during the process of review the reviewer finds that the additional application materials are not complete, the

reviewer will notify the WSLCB in writing and the WSLCB will withdraw the application.

(v) The reviewer will supply a written evaluation to the WSLCB in writing after completing review of the research project. Evaluations will provide the approval recommendation status; determination(s) of the applicable research category or categories; and, as applicable, the reasons for a "Not Approved" recommendation. The WSLCB will provide written evaluations to applicants following completion of the review process by the reviewer along with the WSLCB's approval or denial of the research license.

(d) **WSLCB requirements and licensing process.** If the reviewer indicates the application for a research license should be approved, the following requirements must be met prior to final approval of the license by the WSLCB.

(i) The WSLCB will request criminal background and financial information from the research license applicant and evaluate the applicant(s) pursuant to the standards and requirements established in WAC 314-55-020 except that research license applicants are not subject to prioritization under subsection (3) of that section;

(ii) Funding of the proposed research must be disclosed by the applicant(s) in amount, timing and source(s). Funding sources may include organizational resources and individuals and organizations that are not part of the person, organization, agency, or business entity applying for the research license. Out-of-state resources may be included, but must be identified;

(iii) The applicant(s) must adhere to the notice posting requirements under WAC 314-55-020;

(iv) The applicant must demonstrate access to and proficiency with the traceability system; and

(v) The applicant must meet facility security requirements as provided in WAC 314-55-083 prior to being granted a license.

(3) **Research license withdrawal and denials.**

(a) The WSLCB will withdraw an application if:

(i) The application or additional application materials are determined incomplete or incorrect by the WSLCB or its designated reviewer;

(ii) The additional application materials are not timely received by the reviewer as provided in this section; or

(iii) The applicant(s) request withdrawal of a research license application at any time in the application process. The applicant must request the withdrawal in writing and is responsible for any review costs due to the reviewer. The voluntary withdrawal of a research license application does not result in a hearing right.

(b) The WSLCB will deny a research license if:

(i) The scientific reviewer does not recommend approval of the license after reviewing the research proposal for compliance with this section or RCW 69.50.372;

(ii) The applicant does not meet the requirements for a license under this section or RCW 69.50.372; or

(iii) The applicant provides false or misleading information in any of the materials it submits to the WSLCB or the reviewer.

(c) If the WSLCB denies a research application for the reasons provided in (b)(iii) of this subsection or for failing to meet criminal history or administrative violations requirements under this section, the applicant(s) is prohibited from reapplying for a research license for one calendar year from the date of the WSLCB's denial of the license.

(d) A person or entity that has outstanding unpaid review fees owing to the scientific reviewer is prohibited from reapplying for a research license until all review fees are paid to the scientific reviewer.

(4) Reporting required.

(a) The WSLCB or the WSLCB's designated reviewer may require reporting by or auditing of research licensees as necessary.

(b) The WSLCB's designated reviewer must submit an annual status report of all completed and ongoing research projects for the previous year to the WSLCB by December 31st of each calendar year.

(c) The licensee must adhere to the reporting requirements in the traceability system under WAC 314-55-083.

(d) The reviewer must immediately notify the WSLCB if it receives information indicating that a research licensee is operating outside the scope of the projects approved under a research license.

(5) Adding an additional research project or changing existing approved research project process (after licensure).

(a) A research licensee is restricted to only those research activities under a research project that has been reviewed and approved by reviewer.

(b) Applications to add a new project or change an existing approved project is the same as what is required for initial application except that a new license application through BLS is not required. To apply to add a new research project or change an existing approved project, a research licensee must submit all materials to the reviewer as required under subsection (2)(b) of this section. Incomplete project applications will not be considered.

(c) The reviewer will review the application for a new research project or change to an existing approved research project pursuant to subsection (2)(c) of this section. The reviewer will supply a written evaluation to the WSLCB and the licensee in writing after completing review of the application for a new research project or a change to an existing approved research project. Evaluations will provide the approval recommendation status; determination(s) of the applicable research category or categories; and, as applicable, the reasons for a "Not Approved" recommendation.

(6) Research license renewals.

(a) Research license renewals operate on an annual basis, based on the license issuance date. A licensee must have an ongoing approved research project or an application for a new research project to be eligible for license renewal. The WSLCB will notify the licensee and reviewer 90 days prior to the license renewal date. The licensee must provide a status report to the reviewer or an application for a new research project if the licensee's ongoing approved research project will end within 30 days prior to or after the renewal date. The status report or application must be received by the reviewer within 30 days of the 90-day renewal notice from the WSLCB or the license will not be renewed.

(b) The reviewer will notify the WSLCB in writing if the licensee meets the requirements for renewal not later than 15 days prior to the licensee's renewal date.

(c) If the reviewer determines that the research project does not meet requirements for renewal due to lack of an ongoing project or for failure to meet the requirements of RCW 69.50.372 or this section for a proposed new project, the reviewer will recommend the WSLCB not renew the license.

(d) The WSLCB will review the licensee's violation history and criminal background check prior to renewal. If the violation history or criminal records disqualifies the licensee from eligibility for a research license under WAC 314-55-050, the WSLCB will not renew the license.

(7) **License revocation.**

(a) The WSLCB may revoke an application for the following reasons:

(i) The WSLCB has reason to believe that cannabis is being diverted from the research licensee;

(ii) The research licensee operates outside the scope of the research project(s) approved under the license issued to the licensee;

(iii) The applicant makes a misrepresentation of fact, or fails to disclose a material fact to the WSLCB during the application process or any subsequent investigation after a license has been issued;

(iv) The WSLCB finds that the licensee possesses cannabis plants, cannabis, or cannabis products that are not accounted for in the traceability system;

(v) The research licensee makes changes to their operating plan, entity structure, or location without prior approval from the WSLCB;

(vi) The research licensee fails to maintain security requirements for the licensed research facility; or

(vii) The licensee violates any provision of chapter 69.50 RCW or this chapter.

(b) A licensee may request voluntary cancellation of a license at any time. The licensee must request cancellation of a research license to the WSLCB in writing. The voluntary cancellation of a research license does not result in a hearing right.

(8) **Cannabis disposal requirements.**

(a) Licensees must dispose of cannabis as provided in WAC 314-55-097.

(b) Licensees must dispose of cannabis if the research license is discontinued for any reason. A licensee may transfer plants to another cannabis research licensee. A licensee may work with the WSLCB to dispose of cannabis or cannabis plants.

(9) An applicant or licensee may request an administrative hearing to contest the withdrawal, denial, nonrenewal, or revocation of a research license pursuant to chapter 34.05 RCW. A request for a hearing must be made in writing and received by the WSLCB no later than 20 days after the date the notification of withdrawal, denial, nonrenewal, or revocation was mailed to the applicant or licensee. Appeal requests submitted in paper form may be delivered to the WSLCB in person during normal business hours at 1025 Union Avenue S.E., Olympia, WA 98501, or mailed to the WSLCB. Mailed appeal requests must be addressed to: WSLCB, ATTN: Adjudicative Proceedings Coordinator, P.O. Box 43076, Olympia, WA 98504-3076 or, for certified mail, WSLCB, ATTN: Adjudicative Proceedings Coordinator, 1025 Union Avenue S.E., Olympia, WA 98501.

[Statutory Authority: RCW 66.08.030 and 69.50.342. WSR 22-23-054, § 314-55-073, filed 11/9/22, effective 12/10/22. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-073, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-073, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.372. WSR 17-04-038, § 314-55-073, filed 1/25/17, effective 2/25/17.]

WAC 314-55-075 Cannabis producer license—Privileges, requirements, and fees. (1)(a) A cannabis producer license allows the licensee to produce, harvest, trim, dry, cure, and package cannabis into lots for sale at wholesale to cannabis processor licensees and to other cannabis producer licensees. A cannabis producer may also produce and sell:

(i) Cannabis plants, seed, and plant tissue culture to other cannabis producer licensees;

(ii) Immature cannabis plants or clones and cannabis seeds to members of a registered cooperative, qualifying patients, or designated providers under the conditions provided in this chapter; and

(iii) Immature cannabis plants or clones and cannabis seeds to a licensed cannabis researcher under the conditions provided in this chapter.

(b) Cannabis production must take place within a fully enclosed secure indoor facility or greenhouse with rigid walls, a roof, and doors. Outdoor production may take place in nonrigid greenhouses, other structures, or an expanse of open or cleared ground fully enclosed by a physical barrier. To obscure public view of the premises, outdoor production must be enclosed by a sight obscure wall or fence at least eight feet high. Outdoor producers must meet security requirements described in WAC 314-55-083. An outdoor grow must be physically separated at least 20 feet from another licensed outdoor grow. In addition, outdoor grows cannot share common walls or fences.

(2) The application fee for a cannabis producer license is \$250. The applicant is also responsible for paying the fees required by the approved vendor for fingerprint evaluation.

(3) The annual fee for issuance and renewal of a cannabis producer license is \$1,000. The annual fee for issuance and renewal of a cannabis producer license is \$1,381. The LCB will conduct random criminal history checks at the time of renewal that will require the licensee to submit fingerprints for evaluation from the approved vendor. The licensee is responsible for all fees required for criminal history checks.

(4) The application window for cannabis producer licenses is closed. The LCB may reopen the cannabis producer application window at subsequent times when the LCB deems necessary.

(5) Any entity and/or principals within any entity are limited to an interest, as defined in WAC 314-55-035, in no more than three cannabis producer licenses.

(6) The maximum amount of space for cannabis production cannot exceed the amount licensed. Applicants must designate on their operating plan the size category of the production premises and the amount of actual square footage in their premises that will be designated as plant canopy. There are three categories as follows:

(a) Tier 1 - Less than 4,000 square feet;

(b) Tier 2 - Four thousand square feet up to 10,000 square feet; and

(c) Tier 3 - Ten thousand square feet up to 30,000 square feet.

(7) The LCB may reduce a licensee's or applicant's square footage designated to plant canopy for the following reasons:

(a) If the amount of square feet of production of all licensees exceeds the maximum square feet the LCB will reduce the allowed square footage by the same percentage.

(b) If 50 percent production space used for plant canopy in the licensee's operating plan is not met by the end of the first year of operation the LCB may reduce the tier of licensure.

(8) If the total amount of square feet of cannabis production exceeds the maximum square feet, the LCB reserves the right to reduce all licensee's production by the same percentage or reduce licensee production by one or more tiers by the same percentage.

(9) The maximum allowed amount of cannabis on a producer's premises at any time is as follows:

(a) Outdoor or greenhouse grows - One and one-quarter of a year's harvest; or

(b) Indoor grows - Six months of their annual harvest.

(10) A producer may not treat or otherwise adulterate useable cannabis with any organic or nonorganic chemical or other compound whatsoever to alter the color, appearance, weight, or smell of the useable cannabis.

(11) A cannabis producer must make quality assurance test results available to any processor purchasing product. A cannabis producer must label each lot of cannabis with the following information:

(a) Lot number;

(b) UBI number of the producer; and

(c) Weight of the product.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-075, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-075, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-14-113, § 314-55-075, filed 7/7/21, effective 8/7/21. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-075, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, 2016 c 170, 2016 c 171, and 2016 c 17. WSR 16-19-102, § 314-55-075, filed 9/21/16, effective 10/22/16. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-075, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-075, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-075, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-075, filed 10/21/13, effective 11/21/13.]

WAC 314-55-077 Cannabis processor license—Privileges, requirements, and fees. (1) A cannabis processor license allows the licensee to process, dry, cure, package, and label useable cannabis, cannabis concentrates, and cannabis-infused products for sale at wholesale to cannabis processors and cannabis retailers.

(2) **Application and license fees.**

(a) The application fee for a cannabis processor license is \$250. The applicant is also responsible for paying the fees required by the approved vendor for fingerprint evaluation.

(b) The annual fee for issuance and renewal of a cannabis processor license is \$1,381. The board will conduct random criminal history checks at the time of renewal that will require the licensee to submit fingerprints for evaluation from the approved vendor. The licensee is responsible for all fees required for the criminal history checks.

(c) The application window for cannabis processor licenses is closed. The board may reopen the cannabis processor application window at subsequent times when the board deems necessary.

(3) Any entity and/or principals within any entity are limited to no more than three cannabis processor licenses.

(4)(a) A cannabis processor that makes cannabis-infused solid or liquid product meant to be ingested orally (cannabis edibles) must obtain a cannabis-infused edible endorsement from the department of agriculture as required under chapter 15.125 RCW and rules adopted by the department to implement that chapter (chapter 16-131 WAC). A licensee must allow the board or their designee to conduct physical visits and inspect the processing facility, recipes, and records required under WAC 314-55-087 during normal business hours or at any time of apparent operation without advance notice.

(b) A cannabis processor licensed by the board must ensure cannabis-infused edible processing facilities are constructed, kept, and maintained in a clean and sanitary condition in accordance with rules and as prescribed by the Washington state department of agriculture under chapter 15.125 RCW and rules promulgated to implement chapters 16-131, 16-165 and 16-167 WAC.

(5)(a) A cannabis processor may blend tested useable cannabis from multiple lots into a single package for sale to a cannabis retail licensee so long as the label requirements for each lot used in the blend are met and the percentage by weight of each lot is also included on the label.

(b) A processor may not treat or otherwise adulterate useable cannabis with any organic or nonorganic chemical or other compound whatsoever to alter the color, appearance, weight, or smell of the useable cannabis.

(6) Recipes, product, packaging, and labeling approval.

(a) A cannabis processor licensee must obtain label and packaging approval from the board for all cannabis-infused products meant for oral ingestion prior to offering these items for sale to a cannabis retailer. The cannabis processor licensee must submit a picture of the product, labeling, and packaging to the board for approval. More information on the product, packaging, and label review process is available on the board's website.

(b) All recipes for cannabis-infused products meant for oral ingestion (cannabis edible products) must be approved by the department of agriculture under chapter 16-131 WAC. Licensees must obtain recipe approval from the department of agriculture prior to submitting any cannabis edible products, packages, and labels for review and approval by the board. The recipe for any cannabis-infused solid or liquid products meant to be ingested orally must be kept on file at the cannabis processor's licensed premises and made available for inspection by the board or its designee.

(c) If the board denies a cannabis-infused product for sale in cannabis retail outlets, the cannabis processor licensee may request an administrative hearing under chapter 34.05 RCW, Administrative Procedure Act.

(7) With the exception of the cannabis, all ingredients used in making cannabis-infused products for oral ingestion must be a commercially manufactured food as defined in WAC 246-215-01115.

(8) Cannabis-infused edible products in solid or liquid form must be homogenized to ensure uniform disbursement of cannabinoids.

(9) A cannabis processor may infuse food or drinks with cannabis, provided that:

(a) The product or products do not require cooking or baking by the consumer;

(b) Coatings applied to the product or products are compliant with the requirements of this chapter;

(c) The product and package design is not similar to commercially available products marketed for consumption by persons under 21 years of age, as defined by WAC 314.55.105 (1)(c).

(10) To reduce the risk to public health, potentially hazardous foods as defined in WAC 246-215-01115 may not be infused with cannabis. Potentially hazardous foods require time-temperature control to keep them safe for human consumption and prevent the growth of pathogenic microorganisms or the production of toxins. Any food that requires refrigeration, freezing, or a hot holding unit to keep it safe for human consumption may not be infused with cannabis.

(11) Other food items that may not be infused with cannabis to be sold in a retail store include:

(a) Any food that has to be acidified to make it shelf stable;

(b) Food items made shelf stable by canning or retorting;

(c) Fruit or vegetable juices (this does not include shelf stable concentrates);

(d) Fruit or vegetable butters;

(e) Pumpkin pies, custard pies, or any pies that contain egg;

(f) Dairy products of any kind such as butter, cheese, ice cream, or milk; and

(g) Dried or cured meats.

(h) Vinegars and oils derived from natural sources may be infused with dried cannabis if all plant material is subsequently removed from the final product. Vinegars and oils may not be infused with any other substance, including herbs and garlic.

(i) Cannabis-infused jams and jellies made from scratch must utilize a standardized recipe in accordance with 21 C.F.R. Part 150, revised as of April 1, 2013.

(12) Consistent with WAC 314-55-104, a cannabis processor may infuse dairy butter or fats derived from natural sources, and use that extraction to prepare allowable cannabis-infused solid or liquid products meant to be ingested orally, but the dairy butter or fats derived from natural sources may not be sold as stand-alone products.

The board may designate other food items that may not be infused with cannabis.

(13) Cannabis processor licensees are allowed to have a maximum of six months of their average useable cannabis and six months average of their total production on their licensed premises at any time.

(14) **Processing service arrangements.** A processing service arrangement is when one processor (processor B) processes useable cannabis or an altered form of useable cannabis (cannabis product) for another licensed processor (processor A) for a fee.

(a) Processor A is the product owner. However, processor B may handle the product under its license as provided in chapter 69.50 RCW and this chapter. Processor B is not allowed to transfer the product to a retailer and may only possess cannabis or cannabis products received from processor A for the limited purposes of processing it for ultimate transfer back to processor A.

(b) Processing service arrangements must be made on a cash basis only as provided in WAC 314-55-115 and payment for the service and return of the processed product must be made within 30 calendar days of delivery to processor B. Failure to do so as provided by the preceding sentence is a violation of this section and any cannabis or cannabis

product involved in the transaction will be subject to seizure and destruction. Payment with any cannabis products, barter, trade, or compensation in any form other than cash for processing service arrangements is prohibited under processing service arrangements.

(c) Each processor that enters into a processing service arrangement must include records for each service arrangement in recordkeeping documents which must be maintained consistent with this chapter.

(15) Cannabis may not be returned by any retail licensee to any processor except as provided in this section.

(a) Every processor must maintain on the licensed premises for a period of five years complete records of all refunds and exchanges made under this section including an inventory of cannabis and cannabis products returned to the processor by any retail licensee.

(b) Cannabis may be returned by a retail licensee in the event a retailer goes out of the business of selling cannabis at retail and a cash refund, as defined by WAC 314-55-115, may be made upon the return of the cannabis or cannabis products, so long as LCB approval is acquired prior to returns and refunds under this subsection.

(c) Cannabis products different from that ordered by a retailer and delivered to the retailer may be returned to a processor and either replaced with cannabis products which were ordered or a cash refund, as defined by WAC 314-55-115, may be made. These incorrect orders must be discovered and corrected within eight days of the date the delivery was made to be eligible for returns and refunds under this subsection.

(d) A cannabis processor may accept returns of products and sample jars from cannabis retailers for destruction, but is not required to provide refunds to the retailer. It is the responsibility of the retailer to ensure the product or sample jar is returned to the processor.

(16) The board may take disciplinary action against any cannabis processor that fails to comply with the provisions of WAC 246-80-021.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-077, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-077, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-15-124, § 314-55-077, filed 7/21/21, effective 8/21/21. Statutory Authority: RCW 69.50.342, 69.50.345 and 2019 c 393. WSR 20-01-172, § 314-55-077, filed 12/18/19, effective 1/1/20. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-077, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-077, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-077, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-077, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-077, filed 10/21/13, effective 11/21/13.]

WAC 314-55-079 Cannabis retailer license—Privileges, requirements, and fees. (1) A cannabis retailer license allows the licensee to sell only useable cannabis, cannabis concentrates, cannabis-infused products, cannabis paraphernalia, and lockable boxes to store cannabis at retail in licensed retail outlets to persons 21 years of age and

older, except as allowed for persons under 21 years of age consistent with RCW 69.50.357 and WAC 314-55-080.

(2) The board may accept applications for cannabis retail licenses at time frames published on its website at lcb.wa.gov. Using estimated consumption data and population data obtained from the office of financial management (OFM) population data, the board will determine the maximum number of cannabis retail locations per county.

(a) The number of retail locations will be determined using a method that distributes the number of locations proportionate to the most populous cities within each county and to accommodate the medical needs of qualifying patients and designated providers. Locations not assigned to a specific city will be at large. At large locations can be used for unincorporated areas in the county or in cities within the county that have no retail licenses designated.

Consistent with WAC 314-55-570 (4)(d), social equity licenses that are currently designated to specific cities may be located anywhere within the county in which the city is located. A license may not be transferred outside of that county.

(b) The number of retail licenses determined by the board can be found on the board website at lcb.wa.gov.

(3) Any entity and/or principals within any entity are limited to no more than five retail cannabis licenses.

(4) Application and license fees.

(a) The application fee for a cannabis retailer's license is \$250 consistent with RCW 69.50.325 (3)(a). The applicant is responsible for fees required by the approved vendor for fingerprint evaluation.

(b) The annual fee for issuance and renewal of a cannabis retailer license is \$1,381 consistent with RCW 69.50.325 (3)(a). The board will conduct random background checks at the time of renewal that will require the licensee to submit fingerprints for evaluation from the approved vendor. The licensee is responsible for all fees required for the background checks.

(5) Internet sales and delivery of product to customers is prohibited.

(6) Sales of cannabis-infused products not permissible under WAC 314-55-077 are prohibited.

(7) Cannabis retailers may not sell cannabis products below the current acquisition cost.

(8) All cannabis products must be stored behind a counter or other barrier to ensure a customer does not have direct access to the product.

(9) A cannabis retailer may not sell lockable boxes for less than the cost of acquisition or sell boxes received as a donation. The donation of lockable boxes must come from a person or entity that is not a licensed cannabis producer, processor, or retailer.

(10) Cannabis retailer licensees are allowed to have a maximum of four months of their average inventory on their licensed premises at any given time.

(11) A cannabis retailer may transport product to other locations operated by the licensee or to return product to a cannabis processor as outlined in WAC 314-55-085.

(12) A cannabis retailer may accept returns of open cannabis products. Products must be returned in their original packaging with the lot, batch, or inventory ID number fully legible.

(13) A cannabis retailer may dispose of cannabis products as provided in WAC 314-55-097.

(14) The board may take disciplinary action against any cannabis retailer that fails to comply with the provisions of WAC 246-80-021.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-079, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-15-124, § 314-55-079, filed 7/21/21, effective 8/21/21. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-079, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, 2016 c 170, 2016 c 171, and 2016 c 17. WSR 16-19-102, § 314-55-079, filed 9/21/16, effective 10/22/16. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-079, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-079, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-079, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-079, filed 10/21/13, effective 11/21/13.]

WAC 314-55-080 Medical cannabis endorsement. (1) A medical cannabis endorsement added to a cannabis retail license allows the cannabis retail licensee to:

(a) Sell cannabis for medical use to qualifying patients and designated providers; and

(b) Provide cannabis at no charge, at their discretion, to qualifying patients and designated providers.

(2) Qualifying patients between 18 and 21 years of age with a recognition card may enter and remain on the premises of a retail outlet holding a medical cannabis endorsement and may purchase products for their personal medical use. Qualifying patients who are under the age of 18 with a recognition card and who accompany their designated providers may enter and remain on the premises of a retail outlet holding a medical cannabis endorsement, but may not purchase products for their personal medical use. Only a designated provider may purchase products for a qualifying patient under the age of 18 who holds a valid recognition card.

(3) To maintain a medical cannabis endorsement in good standing, a cannabis retailer must:

(a) Follow all rules adopted by the department of health regarding retail sales of medical cannabis;

(b) Have a consultant on staff in accordance with chapter 246-72 WAC;

(c)(i) Have consulting service hours for entering qualifying patients into the medical cannabis database posted alongside hours of operation as required in WAC 314-55-055;

(ii) The requirement in (c)(i) of this subsection can be met by posting a window of time where appointments with cannabis consultants can be scheduled;

(d) Prohibit the medical use of cannabis by anyone at the retail outlet at all times, including medical use by qualifying patients;

(e) Have in stock at all times, or on order, cannabis products that comply with chapter 246-70 WAC;

(f) Not market cannabis concentrates, useable cannabis, or cannabis-infused products in a way that make them especially attractive to minors;

(g) Maintain the ability to enter qualifying patients and designated providers in the medical cannabis authorization database established by the department of health;

(h) Issue recognition cards and agree to enter qualifying patients and designated providers into the database in compliance with the department of health standards;

(i) Keep records to document the validity of tax exempt sales as prescribed by the department of revenue for a minimum of five years. For the documentation requirements in RCW 69.50.375 (3)(e), licensees are not required to separately keep copies of the qualifying patient's or designated provider's recognition card because this information is stored in the medical cannabis authorization database;

(j) Train employees on the following:

(i) Procedures regarding the recognition of valid authorizations and the use of equipment to enter qualifying patients and designated providers into the medical cannabis authorization database;

(ii) Recognition of valid recognition cards; and

(iii) Recognition of strains, varieties, THC concentration, CBD concentration, and THC to CBD ratios of cannabis concentrates, useable cannabis, and cannabis-infused products available for sale when assisting qualifying patients and designated providers at the retail outlet.

(4) The licensee may provide cannabis products complying with chapter 246-70 WAC at no charge to qualifying patients or designated providers.

(5) **Unlicensed practice of medicine.** No owner, employee, or volunteer of a retail outlet and holding a medical cannabis endorsement may:

(a) Offer or undertake to diagnose or cure any human or animal disease, ailment, injury, infirmity, deformity, pain, or other condition, physical or mental, real or imaginary, by use of cannabis products or any other means or instrumentality; or

(b) Recommend or suggest modification or elimination of any course of treatment that does not involve the medical use of cannabis products.

(6) (a) Noncompliance with the requirements of subsection (3) of this section may result in the discontinuance of the medical cannabis endorsement.

(b)(i) After being notified of noncompliance with the requirements of this section by the board, the endorsement holder shall have at least seven calendar days and no more than 30 calendar days to demonstrate compliance with this section. If noncompliance remains after the deadline identified by the board, the endorsement is discontinued.

(ii) If a licensee applies for a medical cannabis endorsement after it has previously been discontinued pursuant to (b)(i) of this subsection, the application and documentation verifying compliance with the requirements of this section must be submitted to the board.

(7) Noncompliance with subsection (5) of this section may result in the discontinuance of the medical cannabis endorsement.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.375. WSR 24-13-095, § 314-55-080, filed 6/18/24, effective 7/19/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-080, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-080, filed 10/31/18, effective 12/1/18. Statutory Authority:

WAC 314-55-082 Insurance requirements. Cannabis licensees must obtain insurance coverage. Insurance is required to protect the consumer if any claims, suits, actions, costs, damages or expenses arise from any negligent or intentional act or omission of the cannabis licensees. Cannabis licensees will provide the board with a certificate of insurance demonstrating that the following types and minimum amounts of insurance have been obtained:

(1) Commercial general liability insurance: The licensee must carry and maintain commercial general liability insurance or commercial umbrella insurance for bodily injury and property damage arising out of licensed activities at all times. The limits of liability insurance will not be less than \$1,000,000. Upon board request, a licensee must provide proof of insurance.

(a) This insurance must cover such claims as may be caused by any act, omission, or negligence of the licensee or its officers, agents, representatives, assigns, or servants.

(b) The insurance must also cover bodily injury, including disease, illness and death, and property damage arising out of the licensee's premises/operations, products, and personal injury.

(2) Insurance carrier rating: The insurance required in subsection (1) of this section must be issued by an insurance company authorized to do business within the state of Washington. Insurance is to be placed with a carrier that has a rating of A - Class VII or better in the most recently published edition of *Best's Reports*. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapters 48.15 RCW and 284-15 WAC.

(3) Additional insured. The state and its employees, agents, and volunteers shall be named as an additional insured on insurance policies required under this section. All policies shall be primary over any other valid and collectable insurance.

(4) Failure to maintain or provide proof of insurance as required may result in license cancellation.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-082, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-082, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-082, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-082, filed 10/21/13, effective 11/21/13.]

WAC 314-55-083 Security and traceability requirements for cannabis licensees. The security requirements for a cannabis licensee are as follows:

(1) **Display of identification badge.** All licensees and employees on the licensed premises shall be required to hold and properly display an identification badge issued by the licensed employer at all times while on the licensed premises and engaged in the transportation of cannabis. The identification badge must list the licensee's trade name and include the person's full and legal name and photograph. All

licensees and employees must have their state issued identification available to verify the information on their badge is correct.

(a) All nonemployee visitors to the licensed premises, other than retail store customers, shall be required to hold and properly display an identification badge issued by the licensee at all times while on the licensed premises.

(b) A log must be kept and maintained showing the full name of each visitor entering the licensed premises, badge number issued, the time of arrival, time of departure, and the purpose of the visit.

(c) All log records must be maintained on the licensed premises for a period of three years and are subject to inspection by any LCB employee or law enforcement officer, and must be copied and provided to the LCB or law enforcement officer upon request.

(d) Employees, visitors, and other persons at a cannabis licensed premises, including persons engaged in the transportation of cannabis, must provide identification to an LCB enforcement officer upon request.

(2) **Alarm systems.** At a minimum, each licensed premises must have a security alarm system on all perimeter entry points and perimeter windows. Motion detectors, pressure switches, duress, panic, and hold-up alarms may also be used.

(3) **Surveillance system.** At a minimum, a licensed premises must have a complete video surveillance system with minimum camera resolution of 640 x 470 pixels or pixel equivalent for analog. The surveillance system storage device and/or the cameras must be internet protocol (IP) compatible. All cameras must be fixed and placement must allow for the clear and certain identification of any person and activities in controlled areas of the licensed premises. All entrances and exits to an indoor facility must be recorded from both indoor and outdoor, or ingress and egress vantage points. All cameras must record continuously 24 hours per day and at a minimum of 10 frames per second. The surveillance system storage device must be secured on the licensed premises in a lockbox, cabinet, closet, or secured in another manner to protect from employee tampering or criminal theft. All surveillance recordings must be kept for a minimum of 45 days on the licensee's recording device. All videos are subject to inspection by any LCB employee or law enforcement officer, and must be copied and provided to the LCB or law enforcement officer upon request. All recorded images must clearly and accurately display the time and date. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards. Controlled areas include:

(a) Any area within an indoor, greenhouse or outdoor room or area where cannabis is grown, or cannabis or cannabis waste is being moved within, processed, stored, or destroyed. Rooms or areas where cannabis or cannabis waste is never present are not considered control areas and do not require camera coverage.

(b) All point-of-sale (POS) areas.

(c) Twenty feet of the exterior of the perimeter of all required fencing and gates enclosing an outdoor grow operation. Any gate or other entry point that is part of the required enclosure for an outdoor growing operation must be lighted in low-light conditions. A motion detection lighting system may be employed to light the gate area in low-light conditions.

(d) Any room or area storing a surveillance system storage device.

(4) **Traceability:** To prevent diversion and to promote public safety, cannabis licensees must track cannabis from seed to sale. Li-

censees must provide the required information on a system specified by the LCB. All costs related to the reporting requirements are borne by the licensee. Cannabis seedlings, clones, plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extracts, cannabis-infused products, samples, and cannabis waste must be traceable from production through processing, and finally into the retail environment including being able to identify which lot was used as base material to create each batch of extracts or infused products. The following information is required and must be kept completely up-to-date in a system specified by the LCB:

(a) Key notification of "events," such as when a plant enters the system (moved from the seedling or clone area to the vegetation production area at a young age);

(b) When plants are to be partially or fully harvested or destroyed;

(c) When a lot or batch of cannabis, cannabis extract, cannabis concentrates, cannabis-infused product, or cannabis waste is to be destroyed;

(d) When useable cannabis, cannabis concentrates, or cannabis-infused products are transported;

(e) Any theft of useable cannabis, cannabis seedlings, clones, plants, trim or other plant material, extract, infused product, seed, plant tissue or other item containing cannabis;

(f) All cannabis plants eight or more inches in height or width must be physically tagged and tracked individually;

(g) A complete inventory of all cannabis, seeds, plant tissue, seedlings, clones, all plants, lots of useable cannabis or trim, leaves, and other plant matter, batches of extract, cannabis concentrates, cannabis-infused products, and cannabis waste;

(h) All cannabis, useable cannabis, cannabis-infused products, cannabis concentrates, seeds, plant tissue, clone lots, and cannabis waste must be physically tagged with the unique identifier generated by the traceability system and tracked;

(i) All point-of-sale records;

(j) Cannabis excise tax records, including records required for medical cannabis patient excise tax exemptions in WAC 314-55-090;

(k) All samples sent to an independent testing lab, any sample of unused portion of a sample returned to a licensee, and the quality assurance test results;

(l) All vendor samples provided to another licensee for purposes of education or negotiating a sale;

(m) All samples used for testing for quality by the producer or processor;

(n) Samples containing useable cannabis provided to retailers;

(o) Samples provided to the LCB or their designee for quality assurance compliance checks; and

(p) Other information specified by the board.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-083, filed 9/11/24, effective 10/12/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-083, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-083, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-083, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-083, filed 5/20/15, effective 6/20/15; WSR 14-07-116, § 314-55-083, filed

3/19/14, effective 4/19/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-083, filed 10/21/13, effective 11/21/13.]

WAC 314-55-084 Cannabis plant production. (1) Only the following specified soil amendments, fertilizers, other crop production aids, and pesticides may be used in the production of cannabis:

(a) Pesticides registered by WSDA under chapter 15.58 RCW as allowed for use in the production, processing, and handling of cannabis. Pesticides must be used consistent with the label requirements.

(b) Commercial fertilizers registered by WSDA under chapter 15.54 RCW.

(c) Potting soil, crop production aids, soil amendments, and other growing media available commercially in the state of Washington may be used in cannabis production. Producers growing outdoors are not required to meet land eligibility requirements outlined in 7 C.F.R. Part 205.202.

(2) Examples of prohibited products:

(a) The use of products containing plant growth regulators not allowed for use on food crops including, but not limited to, any of the following ingredients, is prohibited:

- (i) Ancymidol;
- (ii) Chlormequat chloride;
- (iii) Clofencet;
- (iv) Colchicine;
- (v) Colloidal silver;
- (vi) Daminozide;
- (vii) Dikegulac-sodium;
- (viii) Flumetralin;
- (ix) Flurprimidol; and
- (x) Paclobutrazol.

(b) The use of vitamin-hormone products not intended for use on food crops is prohibited.

(c) The use of products containing the insecticide DDVP (Dichlorvos) is prohibited in all areas where cannabis is being grown or processed.

(3) Soil amendments, fertilizers, growing media, other crop production aids, and pesticides that do not conform to subsections (1) and (2) of this section cannot be used, kept, or stored on the licensed premises.

(4) The following cannabis and cannabis products are subject to seizure and destruction:

(a) Cannabis exposed to unauthorized soil amendments or fertilizers; and

(b) Cannabis with levels of unauthorized pesticides or plant growth regulators as provided in WAC 314-55-108.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-084, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-084, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-084, filed 5/18/16, effective 6/18/16; WSR 14-10-044, § 314-55-084, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325,

WAC 314-55-085 What are the transportation requirements for a cannabis licensee? (1) **Notification of shipment.** Upon transporting any cannabis or cannabis product, a producer, processor, retailer, or certified third-party testing lab shall notify the WSLCB of the type and amount and/or weight of cannabis and/or cannabis products being transported, the name of transporter, information about the transporting vehicle, times of departure and expected delivery. This information must be reported in the traceability system described in WAC 314-55-083(4).

(2) **Receipt of shipment.** Upon receiving the shipment, the licensee or certified third-party lab receiving the product shall report the amount and/or weight of cannabis and/or cannabis products received in the traceability system.

(3) **Transportation manifest.** A complete printed transport manifest on a form provided by the WSLCB containing all information required by the WSLCB must be kept with the product at all times.

(4) **Records of transportation.** Records of all transportation must be kept for a minimum of three years at the licensee's location and are subject to inspection.

(5) **Transportation of product.** Cannabis or cannabis products that are being transported must meet the following requirements:

(a) Only the cannabis licensee, an employee of the licensee, a transportation licensee, or a certified testing lab may transport product and/or occupy a transporting vehicle;

(b) Drivers and/or occupants of a transporting vehicle must be 21 years of age or older;

(c) Cannabis or cannabis products must be in a sealed package or container approved by the WSLCB pursuant to WAC 314-55-105;

(d) Sealed packages or containers cannot be opened during transport;

(e) Cannabis or cannabis products must be in a locked, safe and secure storage compartment that is secured to the inside body/compartment of the vehicle transporting the cannabis or cannabis products;

(f) Any vehicle transporting cannabis or cannabis products must travel directly from the shipping licensee to the receiving licensee and must not make any unnecessary stops in between except to other facilities receiving product;

(g) Live plants may be transported in a fully enclosed, windowless locked trailer, or in a secured area within the inside body/compartment of a van or box truck. A secured area is defined as an area where solid or locking metal partitions, cages, or high strength shatterproof acrylic can be used to create a secure compartment in the fully enclosed van or box truck. The secure compartment in the fully enclosed van or box truck must be free of windows. Live plants may not be transported in the bed of a pickup truck, a sports utility vehicle, or passenger car.

(6) For purposes of this chapter, any vehicle assigned for the purposes of transporting cannabis, usable cannabis, cannabis concentrates, or cannabis-infused products shall be considered an extension of the licensed premises. Transport vehicles are subject to inspection by enforcement officers of the WSLCB. Vehicles assigned for transportation may be stopped and inspected by a WSLCB enforcement officer at any licensed location, or while en route during transportation.

(7) All cannabis plants, clones, seeds, lots, batches, intermediate products, end products, vendor samples, and sample jars must remain physically tagged during transport.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-085, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-085, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-085, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-085, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-085, filed 10/21/13, effective 11/21/13.]

WAC 314-55-086 Mandatory signage. (1) All licensed cannabis processors, producers, and retailers, with the exception of licensed retailers with a medical cannabis endorsement, must conspicuously post a notice provided by the board about persons under 21 years of age at each entry to all licensed premises. The notice must contain all of the following language: "Persons under 21 years of age not permitted on these premises."

(2) All licensed retailers with a medical cannabis endorsement must conspicuously post a notice provided by the board regarding persons under 21 years of age at each entry to all licensed medical cannabis premises. The notice must contain all of the following language: "Persons under 21 years of age not permitted on these premises without a valid qualifying patient card. Qualifying patients under the age of 18 must be accompanied by their designated provider at all times."

(3) All licensed cannabis retailers must conspicuously post a sign provided by the board regarding the use of cannabis during pregnancy and breastfeeding as follows:

(a) At each point of sale; and

(b) In a location easily visible to employees.

(4) All licensed cannabis retailers must conspicuously post a notice provided by the board prohibiting the opening of a package of cannabis or cannabis-infused product in public or consumption of cannabis or cannabis-infused products in public. The notice must be posted in plain view at the main entrance of the cannabis retail establishment.

(5) All licensed cannabis processors, producers, and retailers must conspicuously post on the premises and make available their current and valid master license or licenses with appropriate endorsements for inspection by board enforcement officers.

(6) Firearms prohibited signs provided by the board must be posted at the entrance of each producer, processor, and retailer licensed location.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-086, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 19-10-076, § 314-55-086, filed 5/1/19, effective 6/1/19; WSR 16-11-110, § 314-55-086, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-086, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-086, filed 10/21/13, effective 11/21/13.]

WAC 314-55-087 Recordkeeping requirements for cannabis licensees. (1) Cannabis licensees are responsible to keep records that clearly reflect all financial transactions and the financial condition of the business. The following records must be kept and maintained on the licensed premises for a five-year period and must be made available for inspection if requested by an employee of the LCB:

(a) Purchase invoices and supporting documents, to include the items and/or services purchased, from whom the items were purchased, and the date of purchase;

(b) Bank statements and canceled checks for any accounts relating to the licensed business;

(c) Accounting and tax records related to the licensed business and each true party of interest;

(d) Records of all financial transactions related to the licensed business, including contracts and/or agreements for services performed or received that relate to the licensed business;

(e) All employee records to include, but not limited to, training, payroll, and date of hire;

(f) Records of each daily application of pesticides applied to the cannabis plants or growing medium. For each application, the producer shall record the following information on the same day the application is made:

(i) Full name of each employee who applied the pesticide;

(ii) The date the pesticide was applied;

(iii) The name of the pesticide or product name listed on the registration label which was applied;

(iv) The concentration and total amount of pesticide per plant; and

(v) For outdoor production, the concentration of pesticide that was applied to the field. Liquid applications may be recorded as, but are not limited to, amount of product per 100 gallons of liquid spray, gallons per acre of output volume, ppm, percent product in tank mix (e.g., one percent). For chemigation applications, record "inches of water applied" or other appropriate measure.

(g) Soil amendment, fertilizers, or other crop production aids applied to the growing medium or used in the process of growing cannabis;

(h) Production and processing records, including harvest and curing, weighing, destruction of cannabis, creating batches of cannabis-infused products and packaging into lots and units;

(i) Records of each batch of extracts or infused cannabis products made, including at a minimum, the lots of useable cannabis or trim, leaves, and other plant matter used (including the total weight of the base product used), any solvents or other compounds utilized, and the product type and the total weight of the end product produced, such as hash oil, shatter, tincture, infused dairy butter, etc.;

(j) Transportation records as described in WAC 314-55-085;

(k) Inventory records;

(l) All samples sent to an independent testing lab and the quality assurance test results;

(m) All free samples provided to another licensee for purposes of negotiating a sale;

(n) All samples used for testing for quality by the producer or processor;

(o) Sample jars containing useable cannabis provided to retailers;

(p) Records of any theft of cannabis seedlings, clones, plants, trim or other plant material, extract, cannabis-infused product, or other item containing cannabis;

(q) Records of any cannabis product provided free of charge to qualifying patients or designated providers;

(r) Detailed sale records including, but not limited to, date of sale, sale price, item sold, and taxes assessed;

(s) Records for medical cannabis patient excise tax exemptions as required in WAC 314-55-090.

(2) If the cannabis licensee keeps records within an automated data processing (ADP) and/or point-of-sale (POS) system, the system must include a method for producing legible records that will provide the same information required of that type of record within this section. The ADP and/or POS system is acceptable if it complies with the following guidelines:

(a) Provides an audit trail so that details (invoices and vouchers) underlying the summary accounting data may be identified and made available upon request.

(b) Provides the opportunity to trace any transaction back to the original source or forward to a final total. If printouts of transactions are not made when they are processed, the system must have the ability to reconstruct these transactions.

(c) Has available a full description of the ADP and/or POS portion of the accounting system. This should show the applications being performed, the procedures employed in each application, and the controls used to ensure accurate and reliable processing.

(3) The provisions contained in subsections (1) and (2) of this section do not eliminate the requirement to maintain source documents, but they do allow the source documents to be maintained in some other location.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-087, filed 9/11/24, effective 10/12/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-087, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-087, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-087, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-087, filed 10/21/13, effective 11/21/13.]

WAC 314-55-089 Tax and reporting requirements for cannabis licensees. (1) Cannabis retailer licensees must submit monthly report(s) and payments to the LCB. The required monthly reports must be:

(a) On a form or electronic system designated by the LCB;

(b)(i) Filed every month, including months with no activity or payment due;

(ii) Each report will identify total product sales and total medical product sales where the excise tax was exempted pursuant to RCW 69.50.535(2) and WAC 314-55-090, in the form and manner required by the LCB;

(c) Submitted, with payment due, to the LCB on or before the 20th day of each month, for the previous month. (For example, a report summarizing transactions for the month of January is due by February 20th.) When the 20th day of the month falls on a Saturday, Sunday, or

a legal holiday, the filing must be postmarked by the U.S. Postal Service no later than the next postal business day;

(d) Filed separately for each cannabis license held; and

(e) All records must be maintained and available for review for a five-year period on licensed premises (see WAC 314-55-087).

(2) **Cannabis producer licensees:** On a monthly basis, cannabis producers must maintain records and report purchases from other licensed cannabis producers, current production and inventory on hand, sales by product type, and lost and destroyed product in a manner prescribed by the LCB. The act of keeping data completely up-to-date in the state traceability system fulfills the monthly reporting requirement.

(3) **Cannabis processor licensees:** On a monthly basis, cannabis processors must maintain records and report purchases from licensed cannabis producers, other cannabis processors, production of cannabis-infused products, sales by product type to cannabis retailers, and lost and/or destroyed product in a manner prescribed by the LCB. The act of keeping data completely up-to-date in the state traceability system fulfills the monthly reporting requirement.

(4) **Cannabis retailer's licensees:**

(a) On a monthly basis, cannabis retailers must maintain records and report purchases from licensed cannabis processors, sales by product type to consumers, and lost and/or destroyed product in a manner prescribed by the LCB.

(b)(i) A cannabis retailer licensee must collect from the buyer and remit to the LCB a cannabis excise tax of 37 percent of the selling price on each retail sale of useable cannabis, cannabis concentrates, and cannabis-infused products, except as identified in WAC 314-55-090 and RCW 69.50.535(2).

(ii) Records of medical cannabis patient excise tax exemptions provided must be maintained as required in WAC 314-55-087 and 314-55-090.

(c) Product inventory reductions that are not adequately documented will be deemed to be sales and will be assessed the excise tax.

(d) Excise tax collected in error must either be returned to the customer(s) or remitted to the LCB if returning to the customer(s) is not possible.

(5) **Payment methods:** Cannabis excise tax payments are payable only by check, cashier's check, money order, or electronic payment or electronic funds transfer. Licensees must submit cannabis excise tax payments to the board by one of the following means:

(a) By mail to LCB;

(b) By paying through online access; or

(c) By paying using a money transmitter licensed pursuant to chapter 19.230 RCW. If a licensee uses a money transmitter service, the licensee must remit payments in U.S. dollars.

(6) Payments transmitted to the board electronically under this section will be deemed received when received by the LCB's receiving account. All other payments transmitted to the LCB under this section by United States mail will be deemed received on the date shown by the post office cancellation mark stamped on the envelope containing the payment.

(7) The LCB may waive the means of payment requirements as provided in subsection (5) of this section for any licensee for good cause shown. For the purposes of this section, "good cause" means the inability of a licensee to comply with the payment requirements of this section because:

(a) The licensee demonstrates it does not have and cannot obtain a bank or credit union account or another means by which to comply with the requirements of subsection (5) of this section and cannot obtain a cashier's check or money order; or

(b) Some other circumstance or condition exists that, in the LCB's judgment, prevents the licensee from complying with the requirements of subsection (5) of this section.

(8) If a licensee tenders payment of the cannabis excise tax in cash without applying for and receiving a waiver or after denial of a waiver, the licensee may be assessed a 10 percent penalty.

(9) If a licensee is denied a waiver and requests an adjudicative proceeding to contest the denial, a brief adjudicative proceeding will be conducted as provided under RCW 34.05.482 through 34.05.494.

(10) For the purposes of this section, "electronic payment" or "electronic funds transfer" means any transfer of funds, other than a transaction originated or accomplished by conventional check, drafts, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit a checking or other deposit account. "Electronic funds transfer" includes payments made by electronic check (e-check).

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-089, filed 9/11/24, effective 10/12/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-089, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-089, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, 69.50.535, and 2016 1st sp.s. c 36. WSR 16-19-002, § 314-55-089, filed 9/7/16, effective 10/8/16. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-089, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-089, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-089, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-089, filed 10/21/13, effective 11/21/13.]

WAC 314-55-090 Medical cannabis patient excise tax exemption.

(1) Pursuant to RCW 69.50.535(2), the excise tax levied in RCW 69.50.535(1) does not apply to sales of cannabis that satisfy all the following conditions:

(a) The sale is made by a cannabis retailer holding a valid medical cannabis endorsement issued pursuant to RCW 69.50.375 and compliant with WAC 314-55-080;

(b) The sale is made to a qualifying patient or designated provider who has a valid recognition card issued pursuant to RCW 69.51A.230, and is in the database;

(c) The sale is of cannabis concentrates, useable cannabis, or cannabis-infused products identified by the department as a compliant cannabis product in chapter 246-70 WAC and tested to the standards in chapter 246-70 WAC;

(2) Cannabis licensees must retain the following information for five years, consistent with WAC 314-55-087, for every sale where the excise tax is exempted per RCW 69.50.535(2):

(a) Date of sale;

(b) From the recognition card:

(i) The unique patient identifier; and
(ii) The effective date and expiration date of the recognition card;

(c) Stock keeping unit (SKU) or unique product identifier of cannabis concentrates, useable cannabis, or cannabis-infused products identified by the department as a compliant cannabis product in chapter 246-70 WAC and tested to the standards in chapter 246-70 WAC;

(d) Sales price of cannabis concentrates, useable cannabis, or cannabis-infused products identified by the department as a compliant cannabis product in chapter 246-70 WAC and tested to the standards in chapter 246-70 WAC.

(3) For any sale where the excise tax was not collected, if a cannabis licensee cannot produce the documentation identified in subsection (2) of this section when requested by the LCB, such excise tax shall be presumed to have been incorrectly exempted, and the retailer shall be responsible for remitting to the LCB the amount of excise tax that should have been collected. Penalties may apply to any incorrectly exempted excise tax payments that need to be remitted as described in this subsection, consistent with WAC 314-55-092.

(4) Definitions.

(a) "Database" means the medical cannabis authorization database as defined in RCW 69.51A.010.

(b) "Department" means the Washington state department of health.

(c) "Designated provider" has the same meaning provided in RCW 69.51A.010.

(d) "Qualifying patient" has the same meaning provided in RCW 69.51A.010.

(e) "Recognition card" has the same meaning provided in RCW 69.51A.010.

(f) "Unique patient identifier" refers to the randomly generated and unique identifying number described in RCW 69.51A.230.

(g) "Unique product identifier" refers to the unique identifier provided to the LCB consistent with the traceability requirements in WAC 314-55-083.

(5) Requirements in this section comply with the confidentiality and exemption provisions for personally identifiable information of qualifying patients and designated providers included in the medical cannabis authorization database as described in RCW 69.51A.230.

(6) The excise tax exemption described in this section is effective until June 30, 2029, pursuant to RCW 69.50.535(2).

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.535. WSR 24-19-040, s 314-55-090, filed 9/11/24, effective 10/12/24.]

WAC 314-55-092 Failure to pay excise taxes and late payment of excise taxes. (1) If a cannabis licensee does not submit its payment(s) to the LCB as required in WAC 314-55-089: The licensee is subject to penalties.

Penalties: A penalty of two percent per month will be assessed on the outstanding balance for any payments postmarked after the 20th day of the month following the month of sale. When the 20th day of the month falls on a Saturday, Sunday, or a legal holiday, the filing must be postmarked by the U.S. Postal Service no later than the next postal business day. Absent a postmark, the date received at the LCB or authorized designee, will be used to assess the penalty of two percent

per month on the outstanding balance after the 20th day of the month following the month of sale.

(2) Failure to make a report and/or pay the license taxes and/or penalties in the manner and dates outlined in WAC 314-55-089 will be sufficient grounds for the LCB to suspend or revoke a cannabis license.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-092, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-092, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-092, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-092, filed 5/18/16, effective 6/18/16; WSR 14-10-044, § 314-55-092, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-092, filed 10/21/13, effective 11/21/13.]

WAC 314-55-095 Cannabis servings and transaction limitations.

Personal possession limits and transaction limits are detailed in RCW 69.50.360 and 69.50.4013.

(1) For persons age 21 and older and qualifying patients or designated providers who are not entered into the medical cannabis authorization database, cannabis serving and transaction limitations are as follows:

(a) **Single serving.** A single serving of a cannabis-infused product must not exceed 10 milligrams of active delta-9 THC. Additional tetrahydrocannabinol compounds other than delta-9 THC may be present in the product, but any single tetrahydrocannabinol compound other than delta-9 THC must not exceed 0.5 milligrams per serving, and the combined concentration of additional tetrahydrocannabinol compounds must not exceed 1.0 milligram per serving.

(b) **Single package.** Any one single package of cannabis-infused product meant to be eaten or swallowed or otherwise taken into the body must not exceed 100 milligram of active delta-9 THC.

(c) **Single concentrate unit.** A single unit of cannabis concentrate cannot exceed one gram.

(d) **Transaction limits.**

(i) A single transaction is limited to:

(A) One ounce of useable cannabis;

(B) Sixteen ounces of cannabis-infused product meant to be eaten or swallowed in solid form;

(C) Seven grams of cannabis-infused extract or cannabis concentrate for inhalation;

(D) Ten units of a cannabis-infused product otherwise taken into the body;

(E) Seventy-two ounces of cannabis-infused product in liquid form for oral ingestion or applied topically to the skin, unless the product is packaged in individual units containing no more than four milligrams of active delta-9 THC per unit; and

(F) Two hundred mg of active delta-9 THC within a cannabis-infused product in liquid form if the product is packaged in individual units containing no more than four milligrams of active delta-9 THC per unit.

(ii) A licensee or employee of a licensee is prohibited from conducting a transaction that facilitates an individual in obtaining more than the personal possession amount.

(2) For qualifying patients and designated providers who are entered into the medical cannabis authorization database, serving and transaction limits are as follows:

(a) **Single serving.** Except as provided in chapter 246-70 WAC, a single serving of a cannabis-infused product meant to be eaten, swallowed, or applied must not exceed 10 milligrams of active delta-9 THC. Additional tetrahydrocannabinol compounds other than delta-9 THC may be present in the product, but any additional single tetrahydrocannabinol compound other than delta-9 THC must not exceed 0.5 milligrams per serving, and the combined concentration of additional tetrahydrocannabinol compounds must not exceed 1.0 milligram per serving.

(b) **Single package.** Except as provided in chapter 246-70 WAC, a single package of cannabis-infused product meant to be eaten, swallowed or applied must not exceed 100 milligrams of active delta-9 THC.

(c) **Single concentrate unit.** A single unit of cannabis concentrate cannot exceed one gram.

(d) **Transaction limitation.** A single transaction by a retail store with a medical cannabis endorsement to a qualifying patient or designated provider who is entered into the medical cannabis database is limited to three ounces of useable cannabis, 48 ounces of cannabis-infused product meant to be eaten or swallowed in solid form, 21 grams of cannabis-infused extract or cannabis concentrate for inhalation, and 216 ounces of cannabis-infused product in liquid form meant to be eaten or swallowed, and up to 200 mg of active delta-9 THC within a cannabis-infused product in liquid form meant to be eaten or swallowed if product is packaged in individual units containing no more than four milligrams of active delta-9 THC per unit.

(3) The board will provide and maintain a nonexhaustive list of cannabinoid compounds that do not meet the definition of tetrahydrocannabinols for the purposes of single-serving limits under this section. The list may be updated as needed, by the LCB, and will be publicly available via the internet.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-095, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-095, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-095, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-095, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-095, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-095, filed 10/21/13, effective 11/21/13.]

WAC 314-55-096 Trade samples, retail display samples, and internal quality control samples. (1) **Trade samples:** Trade samples are samples of useable cannabis, cannabis-infused products, and cannabis concentrates, as described in this section, provided for free for the purpose of negotiating a sale and providing education to budtenders engaged in selling cannabis products at retail.

(a) Trade samples may be provided by a producer to a processor, or by a processor to a retailer.

(b) Trade samples must be provided free of charge to the receiving licensee.

(c) Trade samples may only be provided to a licensee that has requested the trade sample or is consenting to receiving the trade sample.

(d) Trade samples may be used for:

(i) Negotiating a sale on product not currently carried by the cannabis licensee;

(ii) Educating budtenders on new products the cannabis retailer has not previously offered for sale to the public; and

(iii) Educating new budtenders on existing products the retailer sells.

(e) A trade sample unit must:

(i) Be representative of the product being offered for sale on the market;

(ii) Not be larger than the smallest unit offered for individual sale at retail;

(iii) Not exceed the following amounts per unit:

(A) 3.5 grams of cannabis;

(B) One gram of cannabis concentrate;

(C) 100 milligrams of cannabis-infused product in solid or liquid form meant to be ingested orally, applied topically, or otherwise taken into the body containing not more than 10 milligrams of active delta-9 THC per serving consistent with the limits provided in WAC 314-55-095.

(f) The limits on the amount of trade samples offered to cannabis licensees are based on calendar quarters.

(i) Producers may not provide any one licensed processor more than 96 trade sample units of cannabis flower per calendar quarter.

(ii) Processors may not provide any one licensed retail business more than 120 trade sample units of any combination of useable cannabis, cannabis concentrates, or cannabis-infused products per calendar quarter.

(g) The producer or processor must:

(i) Record the amount of each trade sample provided by product type and the trade name of the receiving licensee in the state's traceability system;

(ii) Clearly label each outgoing sample as a "trade sample" and itemize trade samples on a separate transport manifest from products intended for resale;

All trade samples must be packaged and labeled in accordance with the requirements in chapter 314-55 WAC, and include an additional label affixed to the package with the following statement in a style or type of lettering that is bold, clear, and conspicuous when compared with other type, lettering or graphics, and does not obscure other required labeling information: "TRADE SAMPLE - NOT FOR RESALE OR DONATION."

(iii) Locate and store all trade samples in a designated area on the licensed premises, separate from nonsample products being sold to another licensee;

(iv) Not provide trade samples as a condition for a retailer to purchase the producer or processor's products or in any manner that would cause undue influence over another licensee or industry member;

(v) Provide the licensee receiving trade samples of cannabis with the certificate of analysis for all quality assurance and quality control tests conducted on the lot or batch from which the sample was derived;

(vi) Disclose all chemicals applied to the growing medium and the plants during production and or processing as applicable including, but not limited to, pesticides, fungicides, herbicides, rodenticides, nutrients, fertilizers, and pH control; and

(vii) Disclose all solvents and other chemicals, that were used during the processing of a cannabis concentrate or cannabis-infused product including, but not limited to, additives and ingredients.

(h) The receiving licensee must receive the trade sample in the traceability system prior to sampling.

(i) Trade samples may only be given to and used by licensees or current paid employees of the licensee as detailed in a licensee's written business policy.

Trade samples may not be sold, nor provided as employee compensation, incentive, or reward. Trade samples may only be given free of charge to paid employees of the licensed business.

(j) Cannabis retailers:

(i) Must not require a producer or processor to provide free trade samples as a condition for purchasing a licensee's products or in any manner that would cause undue influence over another licensee or industry member.

(ii) Must locate trade samples in a designated area on the licensed premises, separate from nonsample products for resale, and be clearly identified as trade samples. Sample jars, as described in subsection (4) of this section, may be displayed and located on the counter for customers to be able to smell the sample.

(iii) May provide free trade samples of useable cannabis, cannabis-infused products, and cannabis concentrates to current paid employees of the licensed retailer.

(iv) Must track all incoming and outgoing trade sample inventory in the state traceability system by product type.

(v) Must record the sample amount being provided to each employee in the traceability system including the product type and the name of the employee receiving the sample.

(vi) Must not provide more than 30 trade sample units to any one employee within a calendar quarter.

(2) Retailers may not provide free samples to customers.

(3) **Internal quality control sampling:** Producers and processors may conduct limited self-sampling for internal quality control. Internal quality control samples are not the same type of samples referred to in WAC 314-55-101, which are submitted to laboratories for testing purposes as described in WAC 314-55-102 and 314-55-109. All sample limits are based on calendar quarters. Consuming samples for internal quality control may not take place on the licensed premises. Internal quality control samples do not need to comply with packaging and labeling requirements in chapter 314-55 WAC. Only the producer, processor, or their paid employees may sample cannabis flower, useable cannabis, cannabis-infused products, cannabis concentrates, and edible cannabis-infused product. The producer or processor must record the amount of each sample and the employee(s) conducting the sampling in the state's traceability system.

(a) For purposes of this subsection, an internal quality control sample unit means:

(i) One gram of cannabis flower;

(ii) One gram of useable cannabis;

(iii) 10 mg of THC in a cannabis-infused product in edible or liquor form;

(iv) One gram of cannabis concentrate including, but not limited to, infused joints, vapor products, and dabs;

(b) Producers may provide up to 50 sample units of cannabis per employee, per calendar quarter, for internal quality control.

(c) Processors may provide up to 50 internal quality control sample units per employee, per calendar quarter, for internal quality control.

(i) Sample units may be provided to processor employees in any combination not to exceed a total of 50 units per calendar quarter.

(ii) Processors may not provide any one employee more than 25 sample units of cannabis concentrates per calendar quarter.

(iii) A one gram unit of cannabis concentrates may be a combination of any concentrate product.

(d) Licensees holding a producer and processor license at the same location are limited in providing a total of 50 internal quality control sample units combined per employee, per calendar quarter.

(4) Sample jars for retail display:

(a) All sample jars for retail display must be labeled with the following:

(i) Information identifying it as a sample jar for display purposes;

(ii) The UBI number of the licensed entity providing the sample; and

(iii) Weight of the product in ounces and grams or volume as applicable.

(b) A processor may provide a retailer free samples of useable cannabis packaged in a transparent sample jar protected by a plastic or metal mesh screen to allow customers to view and smell the product before purchase. The sample jar may not contain more than 3.5 grams of useable cannabis. The plastic or metal mesh screen must be sealed onto the container, and must be free of rips, tears, or holes greater than 2 mm in diameter.

(c) Neither the sample jar or the useable cannabis within may be sold, transferred, given away, or otherwise provided to a customer.

(d) Any useable cannabis no longer needed for display in sample jars may either be:

(i) Given to paid employees of the retailer free of charge. The sample amount must be recorded in the state's traceability system and will count towards the employees maximum sample limit described in (1)(j)(vi) of this section;

(ii) Disposed in accordance with the requirements in WAC 314-55-097 and recorded in the state's traceability system, consistent with WAC 314-55-083; or

(iii) Returned to the processor that provided the sample, to be disposed in accordance with WAC 314-55-097 and recorded in the state's traceability system, consistent with WAC 314-55-083.

(5) Transportation. Outgoing and return trade samples and sample jars must adhere to the transportation requirements in WAC 314-55-085.

(6) By September 1, 2025, all samples previously identified as vendor or educational samples must be disposed of according to the standards identified in WAC 314-55-097.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 25-08-032, s 314-55-096, filed 3/26/25, effective 4/26/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-096, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-096,

filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-096, filed 5/18/16, effective 6/18/16.]

WAC 314-55-097 Cannabis waste disposal and sales—Liquids and solids. (1) Solid and liquid wastes generated during cannabis production and processing must be stored, managed, and disposed of in accordance with applicable state and local laws and regulations.

For purposes of this section, "sellable cannabis waste" means solid waste generated during cannabis production or processing that has a THC concentration of 0.3 percent or less and not designated dangerous or hazardous. Sellable cannabis waste does not include "hemp" or "industrial hemp," as defined in RCW 15.140.020. A portion of a cannabis plant that has a THC concentration greater than 0.3 percent is considered cannabis under RCW 69.50.101.

(2) Wastewater generated during cannabis production and processing must be disposed of in compliance with applicable state and local laws and regulations.

(3) Cannabis licensees and certified laboratories must evaluate cannabis waste consistent with chapters 70A.300 RCW and 173-303 WAC to determine if the cannabis waste is designated as dangerous or hazardous as defined in those chapters.

(a) If a licensee or certified laboratory generates waste that is not designated as dangerous or hazardous waste, then that waste is subject to the cannabis waste management standards set forth in this section.

(i) Waste that must be evaluated to determine if it is dangerous or hazardous includes, but is not limited to, the following:

(A) Waste from cannabis flowers, trim and solid plant material used to create an extract (per WAC 314-55-104).

(B) Waste solvents used in the cannabis process (per WAC 314-55-104).

(C) Discarded plant waste, spent solvents and laboratory wastes from any cannabis processing or quality assurance testing.

(D) Cannabis extract that fails to meet quality testing.

(ii) A cannabis plant, useable cannabis, cannabis plant roots, trim, and other plant material is not considered dangerous or hazardous waste as defined under chapter 70A.300 RCW or 173-303 WAC unless it has been treated or contaminated with a solvent.

(b) Cannabis waste that is designated as dangerous or hazardous as defined in chapter 70A.300 RCW or 173-303 WAC must be stored, managed, and disposed of consistent with chapters 70A.300 RCW and 173-303 WAC.

(4) Cannabis waste that is not designated as dangerous or hazardous waste as defined in chapter 70A.300 RCW or 173-303 WAC and is not sold as provided in this section must be rendered unusable before leaving the licensed premises or certified laboratory.

(a) The process for rendering cannabis waste unusable must involve grinding the waste and mixing it with other ground materials so that the resulting mixture is at least 50 percent noncannabis waste by volume. Other methods to render cannabis waste unusable may be proposed but must receive prior approval from the LCB before implementation. Acceptable materials for mixing with cannabis waste include, but are not limited to, the following:

(i) Compostable mixed waste, such as food waste, yard waste, vegetable greases or oils, or other compostable materials approved by the LCB;

(ii) Noncompostable mixed waste, with materials such as paper waste, plastic waste, cardboard waste, or other noncompostable materials approved by the LCB.

(b) Once rendered unusable, cannabis waste may, subject to approval by the local authority, be disposed of at a permitted solid waste facility, including composting facilities, anaerobic digesters, landfills, or incinerators. Compliance with (b) of this subsection may be accomplished by managing cannabis waste rendered unusable on-site by the licensee or certified laboratory in accordance with the standards of chapter 173-350 WAC.

(c) Licensees must maintain records documenting the final destination and method of all cannabis waste rendered unusable in the required format.

(5) Sellable cannabis waste may be sold by the producer or processor to a person who is not a licensed cannabis business under the following conditions:

(a) The cannabis licensee must report the intended sale to the WSDA prior to completion of the sale;

(b) The cannabis licensee must notify the LCB of the intended sale prior to completion of the sale in the format specified by the board;

(c) The report includes at least the following information:

(i) The quantity of sellable cannabis waste;

(ii) The sale price; and

(iii) The name and contact information of the buyer;

(d) The sale of sellable cannabis waste must be conducted in a manner that is open and accessible to all members of the public without discrimination; and

(e) The cannabis waste will not leave the state of Washington as part of the sale or delivery.

(6) Sellable cannabis waste may be sold by the producer or processor to another producer or processor under the following conditions:

(a) Both the purchasing and selling cannabis licensees must notify the LCB of the intended sale in the format specified by the board;

(b) The notice to the board must include the following:

(i) The quantity of sellable cannabis waste;

(ii) The sale price; and

(iii) The intended use of the sellable cannabis waste.

(c) The sale must be conducted consistent with chapters 69.50 RCW and 314-55 WAC.

(7) (a) The LCB may conduct inspections and audits to ensure compliance with this section.

(b) Licensees found in violation of these rules may be subject to penalties.

(c) Licensees are responsible for keeping accurate and complete records of all sellable cannabis waste sales. Licensees and certified laboratories are responsible for keeping accurate and complete records of all evaluations, rendering, and disposal activities.

(d) All required records must be made available to the LCB upon request.

(e) All required records must be kept consistent with the requirements in WAC 314-55-087.

(8) Cannabis waste rendered unusable following the method described in this rule can be disposed of.

(a) Disposal of the cannabis waste rendered unusable may be delivered to a permitted solid waste facility for final disposition. Examples of acceptable permitted solid waste facilities include:

(i) Compostable mixed waste: Compost, anaerobic digester, or other facility with approval of the jurisdictional health department.

(ii) Noncompostable mixed waste: Landfill, incinerator, or other facility with approval of the jurisdictional health department.

(b) Disposal of the cannabis waste rendered unusable may be managed on-site by the licensee or certified laboratory in accordance with the standards of chapter 173-350 WAC.

[Statutory Authority: RCW 69.50.342, 69.50.3255, and 2024 c 243. WSR 25-07-049, s 314-55-097, filed 3/12/25, effective 4/12/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-097, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-097, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-097, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-097, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-097, filed 10/21/13, effective 11/21/13.]

WAC 314-55-099 Standardized scales. (1) Cannabis producer and processor licensees must have at least one scale on the licensed premises for the traceability and inventory of products.

(2) The scales and other measuring devices are subject to chapter 19.94 RCW, and must meet the requirements of the most current version of chapter 16-662 WAC.

(3) Licensees must register scales on a business license application with business license services through the department of revenue as required under chapter 19.94 RCW.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-099, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-099, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-099, filed 10/21/13, effective 11/21/13.]

WAC 314-55-0995 Laboratory certification requirements. The following requirements apply to third-party laboratories seeking certification by the LCB to conduct quality assurance testing on cannabis and cannabis products in Washington state, and for certified third-party laboratories (certified laboratories) to remain certified by the LCB. The requirements provided in this section are continuing requirements, and must be adhered to and maintained for a third-party laboratory to remain certified.

(1) A third-party laboratory must be certified by the LCB and meet WSDA accreditation requirements under chapter 16-310 WAC prior to conducting quality assurance tests required under this chapter. Certified laboratories must conspicuously display the certification letter received by the LCB upon certification at the laboratory's premises in

a conspicuous location where a customer may observe it unobstructed in plain sight.

(2) Licensed producers or processors may not have a financial interest in a certified laboratory. A person with financial interest in a certified laboratory may not have direct or indirect financial interest in a licensed cannabis producer or processor for whom they are conducting required quality assurance tests. A person with direct or indirect financial interest in a certified laboratory must disclose to the LCB by affidavit any direct or indirect financial interest in a licensed cannabis producer or processor.

(3) The following provisions are conditions of certification for third-party testing laboratories. Failure to adhere to the below requirements may result in the suspension or revocation of certification.

(a) Each laboratory must employ a scientific director responsible to ensure the achievement and maintenance of quality standards of practice. The scientific director must possess the minimum qualifications as described in chapter 16-309 WAC.

(b) Certified laboratories must follow the analytical requirements under chapter 16-309 WAC.

(c) Certified laboratories must be accredited by WSDA for each type of test conducted under chapter 16-310 WAC.

(d) A laboratory must provide the following documentation to the LCB when applying for certification:

(i) Their most recent audit report issued to them by the WSDA;

(ii) The scope of accreditation listing the accredited parameters;

(iii) Proof of current accreditation with the WSDA;

(iv) Their contact information including: Email, phone number, and physical and mailing addresses.

(e) LCB will provide a certification letter to laboratories applying for certification to indicate whether certification is approved or denied.

(i) Certification approval will include approved fields of testing, requirements for maintaining certification, and the date of expiration for certification.

(ii) Incomplete, inaccurate, or falsified documents submitted for an initial certification or renewal of certification is grounds for denial of certification.

(f) LCB certification of a laboratory is valid for one year. Laboratories must apply for certification renewal each year to maintain their certification. Laboratories applying for a renewal of certification must submit required certification documentation to the LCB at least 30 days, but no more than 60 days, prior to their certification expiration date.

(g) Certified laboratories must allow the LCB to conduct physical visits and inspect related laboratory equipment, testing and other related records during normal business hours without advance notice.

(h) Certified laboratories must report all required test results directly into LCB's traceability system within 24 hours of completion. Laboratories must also record in the traceability system an acknowledgment of the receipt of samples from producers or processors and verify if any unused portion of the samples provided to them for testing was destroyed in compliance with cannabis waste disposal requirements pursuant to WAC 314-55-097 and RCW 69.50.3255, or returned to the customer.

(i) A certified laboratory must notify the LCB of any changes in their WSDA accreditation status within 48 hours of the change, including newly accredited testing parameters, discontinuing previously accredited testing parameters, or revocation of accreditation per WAC 16-310-180.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348. WSR 25-09-167, s 314-55-0995, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-0995, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-0995, filed 5/31/17, effective 8/31/17.]

WAC 314-55-101 Quality control sampling. (1) All licensed cannabis processors, producers, certified labs, and certified lab employees must comply with the sampling procedures described in this section, consistent with RCW 69.50.348. Noncompliance may result in disciplinary action as described in this chapter and applicable law.

(2) **Sample collection.** All samples of cannabis, useable cannabis, or cannabis-infused products must be submitted to a certified lab for testing consistent with this chapter.

(a) All samples must be deducted, stored, and transported in a way that prevents contamination and degradation.

(b) To maximize sample integrity, samples must be placed in a sanitary container and stored in a location that prevents contamination and degradation.

(c) Each quality control sample container must be clearly marked "quality control sample" and labeled with the following information:

(i) The certificate number and name of the certified lab receiving the sample;

(ii) The license number and registered trade name of the licensee sending the sample;

(iii) The date the sample was collected; and

(iv) The weight of the cannabis, useable cannabis, or cannabis-infused product the sample was collected from.

(d) Sampling and analysis requirements apply to all cannabis products regulated by the board.

(3) **Additional sampling protocols for quantities of cannabis flower:**

(a) Samples must be of roughly equal weight not less than one gram each. Each sample must be deducted from a harvest as defined in WAC 314-55-010(14).

(b) For cannabis flower weighing up to 10 pounds, a minimum of eight samples must be taken.

(c) For cannabis flower weighing 10 pounds or more but less than 20 pounds, a minimum of 12 samples must be taken.

(d) For cannabis flower weighing 20 pounds or more but less than 30 pounds, a minimum of 15 samples must be taken.

(e) For cannabis flower weighing 30 pounds or more but less than 40 pounds, a minimum of 18 samples must be taken.

(f) For cannabis flower weighing 40 pounds or more but not more than 50 pounds, a minimum of 19 samples must be taken.

(4) **Sample retrieval and transportation.** Certified labs may retrieve samples from a cannabis licensee's licensed premises and transport the samples directly to the lab.

(5) Certified labs must reject or fail a sample if the lab has reason to believe the sample was not collected in the manner required by this section, adulterated in any way, contaminated with known or unknown solvents, or manipulated in a manner that violates the sampling protocols, limit tests, or action levels.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-101, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.345 and 69.50.348. WSR 22-06-097, § 314-55-101, filed 3/2/22, effective 4/2/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-101, filed 5/31/17, effective 8/31/17; WSR 16-11-110, § 314-55-101, filed 5/18/16, effective 6/18/16.]

WAC 314-55-102 Quality assurance and quality control. (1) Certified laboratory quality control testing. To become certified, a third-party laboratory must meet the board's certification requirements as described in WAC 314-55-0995 and this chapter before conducting quality control tests required under this section. Cannabis licensees must use a laboratory certified by the board to conduct quality control testing required under this chapter. Prior to becoming certified, laboratories must be accredited by the WSDA as specified in chapter 16-310 WAC.

(a) Licensees must use LCB certified laboratories to conduct testing on cannabis and cannabis products in the following required fields of testing:

- (i) Water activity;
- (ii) Cannabinoid concentration analysis;
- (iii) Foreign matter inspection;
- (iv) Microbiological testing;
- (v) Mycotoxin testing;
- (vi) Pesticide testing; and
- (vii) Residual solvent testing.

(b) Certified laboratories may be certified for heavy metal testing and terpene analysis. Certified laboratories must comply with the guidelines for quality control fields of testing described in this chapter and chapter 16-309 WAC if they offer testing services to other certified laboratories.

(c) Certified laboratories may reference samples for testing by subcontracting for fields of testing to other laboratories certified by the LCB.

(2) General product quality control testing requirements for certified labs.

(a) Certified laboratories must record an acknowledgment of the receipt of samples from producers or processors. Certified labs must also verify if any unused portion of the sample is destroyed after the completion of required testing.

(b) Certified laboratories must report quality control test results directly to the board in the required format.

(c) Product must not be converted, transferred, or sold by the licensee until the required tests are reported to the board and the licensee.

(d) Certified laboratories must fail a sample if the results for any limit test are above allowable levels regardless of whether the limit test is required in the testing tables in this chapter.

(e) Certified laboratories must test samples on an "as is" or "as received" basis.

(f) For the purposes of this section, certified laboratories are expected to use two significant figures for all test parameters except foreign matter when reporting test results to the board and on associated certificates of analysis.

(3) **Quality control analysis and testing.** The following analysis and testing are only required for samples that have not been previously tested, or that have been authorized by the LCB to retest following failed quality control testing.

(a) **Cannabinoid concentration analysis.**

(i) A cannabinoid concentration analysis is required to determine the concentration of cannabinoid compounds present in cannabis and cannabis products. The results of the cannabinoid concentration analysis must be reported to the board in the state's traceability system in the required format. The cannabinoid concentration analysis must include testing for at least the following cannabinoids:

(A)

Cannabinoid	Lower Limit of Quantitation (mg/g)	CAS #
CBD	1.0	13956-29-1
CBDA	1.0	1244-58-2
Δ^9 -THC	1.0	1972-08-3
Δ^9 -THCA	1.0	23978-85-0

(B) Any THC compound that is labeled, advertised, or marketed as part of the product;

(C) Total delta-9 THC;

(D) Total THC for tetrahydrocannabinol compounds other than delta-9 THC;

(E) Total CBD.

(ii) Calculating total THC and total CBD.

(A) Total delta-9 THC must be calculated as follows, where M is the mass or mass fraction of delta-9 THC or delta-9 THCA: $M \text{ total delta-9 THC} = M \text{ delta-9 THC} + (0.877 \times M \text{ delta-9 THCA})$.

(B) Total THC for tetrahydrocannabinol compounds other than delta-9 that are present in an amount greater than 0.2 mg/g must be calculated as follows, where M is the mass or mass fraction of the neutral (THC) or acidic form (THCA) of the tetrahydrocannabinol compound: $M \text{ total THC} = M \text{ THC} + [(molar \text{ mass of THC} / molar \text{ mass of THCA}) \times M \text{ THCA}]$.

(C) Total CBD must be calculated as follows, where M is the mass or mass fraction of CBD and CBDA: $M \text{ total CBD} = M \text{ CBD} + (0.877 \times M \text{ CBDA})$.

(iii) Regardless of analytical equipment or methodology, certified laboratories must accurately measure and report the acidic (THCA and CBDA) and neutral (THC and CBD) forms of the cannabinoids.

(b) **Water activity testing.** The sample fails quality control testing for water activity if the results exceed the following limits:

(i) Water activity rate of more than 0.65 a_w for useable cannabis;

(ii) Water activity rate of more than 0.85 a_w for solid edible products.

(c) **Foreign matter inspection.** The sample fails quality control testing for foreign matter inspection if the results exceed the following limits:

- (i) Five percent of stems 3 mm or more in diameter; or
- (ii) Two percent of seeds or other foreign matter; or
- (iii) One insect fragment, one hair, or one mammalian excreta in sample.

(d) **Microbiological testing.** The sample and the related population fails quality control testing for microbiological testing if the results exceed the following limits:

Unprocessed Plant Material	Colony Forming Unit per Gram (CFU/g)
Bile Tolerant Gram Negative bacteria (BTGN)	10,000
Shiga toxin-producing Escherichia coli (STEC)	<1
Salmonella spp.	<1

Processed Plant Material	Colony Forming Unit per Gram (CFU/g)
Bile Tolerant Gram Negative bacteria (BTGN)	1,000
Shiga toxin-producing Escherichia coli (STEC)	<1
Salmonella spp.	<1

(e) **Mycotoxin testing.** The sample and the related population fails quality control testing if the results exceed the following limits:

Mycotoxin	µg/kg	CAS #
Aflatoxins (Sum of Isomers)	20.	
• Aflatoxin B1		1162-65-8
• Aflatoxin B2		7220-81-7
• Aflatoxin G1		1165-39-5
• Aflatoxin G2		7241-98-7
Ochratoxin A	20.	303-47-9

(f) **Residual solvent testing.** Except as otherwise provided in this subsection, a sample and the related population fails quality control testing for residual solvents if the results exceed the limits provided in the table below. Residual solvent results of more than 5,000 ppm for class three solvents, 50 ppm for class two solvents, and 2 ppm for any class one solvents as defined in *United States Pharmacopoeia USP 30 Chemical Tests / <467> - Residual Solvents (USP <467>)* not listed in the table below fail quality control testing. When residual solvent testing is required, certified laboratories must test for the solvents listed in the table below at a minimum.

Solvent	µg/g	CAS #
Acetone	5000	67-64-1
Benzene	2.0	71-43-2
Butanes (Sum of Isomers)	5000	
• n-butane		106-97-8
• 2-methylpropane (isobutane)		75-28-5

Solvent	µg/g	CAS #
Cyclohexane	3880	110-82-7
Chloroform	2.0	67-66-3
Dichloromethane	600	75-09-2
Ethanol	5000	64-17-5
Ethyl acetate	5000	141-78-6
Heptanes (Single Isomer)	5000	
• n-heptane		142-82-5
Hexanes (Sum of Isomers)	290	
• n-hexane		110-54-3
• 2-methylpentane		107-83-5
• 3-methylpentane		96-14-0
• 2,2-dimethylbutane		75-83-2
• 2,3-dimethylbutane		79-29-8
Isopropanol (2-propanol)	5000	67-63-0
Methanol	3000	67-56-1
Pentanes (Sum of Isomers)	5000	
• n-pentane		109-66-0
• methylbutane (isopentane)		78-78-4
• dimethylpropane (neopentane)		463-82-1
Propane	5000	74-98-6
Toluene	890	108-88-3
Xylenes (Sum of Isomers)	2170	
• 1,2-dimethylbenzene (ortho-)		95-47-6
• 1,3-dimethylbenzene (meta-)		108-38-3
• 1,4-dimethylbenzene (para-)		106-42-3

(g) **Heavy metal testing.** Heavy metal testing is required for all DOH compliant product as described in chapter 246-70 WAC. Heavy metal testing is optional for non-DOH compliant product; however, heavy metal limits provided below apply to all products. Any product exceeding the provided limits is subject to recall and destruction. The board may conduct random or investigation driven heavy metal testing for compliance. A sample and related quantity of product fail quality control testing for heavy metals if the results exceed the limits provided in the table below.

Metal	µg/g
Arsenic	2.0
Cadmium	0.82
Lead	1.2
Mercury	0.40

(h) **Pesticide testing.** For purposes of pesticide testing, a sample and the related quantity of cannabis is considered to have passed if it meets the standards described in WAC 314-55-108 and applicable department of agriculture rules.

(4) **Required quality control tests.** The following quality control tests are required for each of the cannabis products described below. Licensees and certified laboratories may opt to perform optional quality control tests on the same sample.

(a) **Cannabis flower.** Cannabis flower requires the following quality control tests:

Product	Test(s) Required
Cannabis flower	1. Water activity testing 2. Cannabinoid concentration analysis 3. Foreign matter inspection 4. Microbiological testing 5. Mycotoxin testing 6. Pesticide testing

(b) If cannabis flower will be sold as useable flower, no further testing is required.

(c) **Intermediate products.** Intermediate products must meet the following requirements related to quality control testing:

(i) All intermediate products must be homogenized prior to quality assurance testing;

(ii) For the purposes of this section, a batch is defined as a single run through the extraction or infusion process;

(iii) Cannabis mix must be chopped or ground so no particles are greater than 3 mm; and

(iv) Intermediate products require the following quality assurance tests:

Intermediate Product Type	Tests Required
Cannabis mix	1. Water activity testing 2. Cannabinoid concentration analysis 3. Foreign matter inspection 4. Microbiological testing 5. Mycotoxin testing 6. Pesticide testing
Concentrate or extract made with hydrocarbons (solvent based made using n-butane, isobutane, propane, heptane, or other solvents or gases approved by the board of at least 99% purity)	1. Cannabinoid concentration analysis 2. Mycotoxin testing 3. Residual solvent testing 4. Pesticide testing
Concentrate or extract made with a CO ₂ extractor like hash oil	1. Cannabinoid concentration analysis 2. Mycotoxin testing 3. Residual solvent testing 4. Pesticide testing
Concentrate or extract made with ethanol	1. Cannabinoid concentration analysis 2. Mycotoxin testing 3. Residual solvent testing 4. Pesticide testing
Concentrate or extract made with approved food grade solvent	1. Cannabinoid concentration analysis 2. Microbiological testing 3. Mycotoxin testing 4. Residual solvent testing 5. Pesticide testing

Intermediate Product Type	Tests Required
Concentrate or extract (nonsolvent) such as kief, hash, rosin, or bubble hash	1. Cannabinoid concentration analysis 2. Microbiological testing 3. Mycotoxin testing 4. Pesticide testing
Infused cooking oil or fat in solid form	1. Cannabinoid concentration analysis 2. Microbiological testing 3. Mycotoxin testing 4. Pesticide testing

(d) **End products.** All cannabis, cannabis-infused products, cannabis concentrates, cannabis mix packaged, and cannabis mix infused sold from a processor to a retailer require the following quality assurance tests:

End Product Type	Tests Required
Infused solid edible	1. Cannabinoid concentration analysis 2. Water activity testing
Infused liquid (like a soda or tonic)	1. Cannabinoid concentration analysis
Infused topical	1. Cannabinoid concentration analysis
Cannabis mix packaged (loose or rolled)	1. Cannabinoid concentration analysis
Cannabis mix infused (loose or rolled)	1. Cannabinoid concentration analysis
Concentrate or cannabis-infused product for inhalation	1. Cannabinoid concentration analysis

(e) End products consisting of only one intermediate product that has not been changed in any way are not subject to cannabinoid concentration analysis.

(5) Useable flower, a batch of cannabis concentrate, or a batch of cannabis-infused product may not be sold until the completion and successful passage of required quality control testing, except:

(a) Licensees may wholesale and transfer batches or quantities of cannabis flower and other material that will be extracted, and cannabis mix and nonsolvent extracts, for the purposes of further extraction prior to completing required quality control testing.

(b) Business entities with multiple locations licensed under the same UBI number may transfer cannabis products between the licensed locations under the same UBI number prior to quality control testing.

(c) Licensees may wholesale and transfer failed batches or quantities of cannabis flower to be extracted pursuant to subsection (6) of this section, unless failed for tests that require immediate destruction.

(6) **Failed test samples.**

(a) Upon approval by the board, failed quantities of cannabis or batches may be used to create extracts. After processing, the extract must pass all quality control tests required in this section before it may be sold, unless failed for heavy metal or pesticide tests that require immediate destruction.

(b) Retesting. A producer or processor must request retesting. The board may authorize the retest to validate a failed test result on

a case-by-case basis. The producer or the processor requesting the retest must pay for the cost of all retesting.

(c) Remediation. Remediation is a process or technique applied to quantities of cannabis flower, lots, or batches. Remediation may occur after the first failure, depending on the failure, or if a retest process results in a second failure. Pesticide failures may not be remediated.

(i) Producers and processors may remediate failed cannabis flower, lots, or batches so long as the remediation method does not impart any toxic or harmful substance to the useable cannabis, cannabis concentrates, or cannabis-infused product. Remediation solvents or methods used on the cannabis product must be disclosed to:

(A) A licensed processor;

(B) The producer or producer/processor who transfers the cannabis products;

(C) A licensed retailer carrying cannabis products derived from the remediated cannabis flower, lot, or batch; or

(D) The consumer upon request.

(ii) The entire quantity of cannabis from which the failed sample(s) were deducted must be remediated.

(iii) No remediated quantity of cannabis may be sold or transported until quality control testing consistent with the requirements of this section is completed.

(iv) If a failed quantity of remediated cannabis is not remediated or reprocessed in any way after a first failure, it cannot be retested. Any subsequent certificates of analysis produced without remediation or reprocessing of the failed quantity of cannabis will not supersede the original compliance testing certificate of analysis.

(7) **Referencing.** Certified laboratories may reference samples for testing to other certified laboratories by subcontracting for fields of testing. Laboratories may not reference samples for conducting retesting of samples for fields of testing they have already analyzed.

(a) Laboratories must record all referencing to other laboratories on a chain-of-custody manifest that includes, but is not limited to, the following information: Laboratory name, certification number, transfer date, address, contact information, delivery personnel, sample ID numbers, field of testing, and receiving personnel.

(b) All test results (fields of testing) that were subcontracted to other certified laboratories must be clearly indicated on the certificate of analysis including the name, address, and certification number of the laboratory that tested the sample.

(8) Certified laboratories are not limited in the amount of useable cannabis and cannabis products they may have on their premises at any given time, but a certified laboratory must have records proving all cannabis and cannabis-infused products in the certified laboratory's possession are held only for the testing purposes described in this chapter.

(9) A certificate of analysis issued by a certified laboratory for any cannabis product subject to the requirements of this chapter and chapter 246-70 WAC that has not already been transferred to a retail location expires 12 calendar months after issuance.

(10) The board, or its designee, may request that a licensee or a certified laboratory provide an employee of the board or their designee samples of cannabis or cannabis products, or samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random or investigatory compliance checks. Samples

may be randomly screened and used for other quality control tests deemed necessary by the board.

(11) All cannabis products produced, processed, distributed, or sold after the effective date of these rules, must comply with these rules and this chapter.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348. WSR 25-09-167, s 314-55-102, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-102, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-102, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.345 and 69.50.348. WSR 22-06-097, § 314-55-102, filed 3/2/22, effective 4/2/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-102, filed 5/31/17, effective 8/31/17; WSR 16-11-110, § 314-55-102, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-102, filed 5/20/15, effective 6/20/15; WSR 14-07-116, § 314-55-102, filed 3/19/14, effective 4/19/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-102, filed 10/21/13, effective 11/21/13.]

Reviser's note: The brackets and enclosed material in the text of the above section occurred in the copy filed by the agency.

WAC 314-55-1035 Laboratory certification—Suspension and revocation. (1) The board may suspend or revoke the certification of any laboratory certified under WAC 314-55-0995 for violations of any of the following:

(a) The laboratory owner or science director violates any of the requirements of chapter 314-55 WAC relating to the operations of the laboratory.

(b) The laboratory owner or science director aids, abets, or permits the violation of any provision of chapters 314-55 WAC, 69.50 RCW, 69.51A RCW, or Title 9 or 9A RCW related to the operations of the laboratory, or the laboratory owner or science director permits laboratory staff to do so.

(c) Evidence the certificate holder or owner made false statements in any material including, but not limited to:

(i) On the application for certification;

(ii) In submissions to the board relating to receiving or maintaining certification; or

(iii) Regarding any testing performed or results provided to LCB or the cannabis licensee by the certificate holder or owner pursuant to WAC 314-55-102.

(d) The laboratory owner or science director is convicted of any crime substantially related to the qualifications or duties of that owner and related to the functions of the laboratory, including a conviction for falsifying any report of or that relates to a laboratory analysis. For purposes of this subsection, a "conviction" means a plea or finding of guilt regardless of whether the imposition of sentence is deferred or the penalty is suspended.

(e) The laboratory submits proficiency test sample results generated by another laboratory as its own.

(f) The laboratory conducts testing under this chapter outside of their approved scope of WSDA accreditation under chapter 16-310 WAC.

(g) The laboratory conducts testing for which the accredited testing parameter has been suspended by the WSDA under chapter 16-310 WAC.

(h) The laboratory fails to properly submit laboratory results to the board into the traceability system.

(i) The laboratory fails to maintain laboratory records required under this chapter.

(j) The laboratory has any financial interest in a licensed producer or processor.

(k) The laboratory fails to correct any identified noncompliance with this chapter.

(l) The laboratory omits testing result information found during testing.

(m) The laboratory fails to notify LCB of any change in accreditation status with the WSDA as required under WAC 314-55-0995.

(n) The laboratory staff denies entry to any employee of the LCB during normal business hours for an on-site assessment or inspection, as required by chapter 314-55 WAC.

(2) The LCB may summarily suspend a laboratory's certification if a certified laboratory is found to have falsified test results, records, or engages in activities upon a determination that immediate cessation of the licensed activities is necessary for the protection or preservation of the public health, safety, or welfare.

(3) The penalties for violations in subsection (1) of this section are as follows:

(a) First violation: Ten-day suspension of the laboratory's certification or until the laboratory corrects the violation leading to the suspension, whichever is longer.

(b) Second violation within a three-year period: Thirty-day suspension of laboratory certification or until the laboratory corrects the violation leading to the suspension, whichever is longer.

(c) Third violation within a three-year period: Revocation of the laboratory's certification.

(4) A laboratory that has its certification suspended or revoked under this section may request an administrative hearing to contest the suspension or revocation as provided in chapter 34.05 RCW.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348. WSR 25-09-167, s 314-55-1035, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-1035, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-1035, filed 5/31/17, effective 8/31/17.]

WAC 314-55-104 Cannabis processor license extraction requirements. (1) Processors are limited to the methods, equipment, solvents, gases, and mediums detailed in this section when creating cannabis extracts.

(2) Processors may use the hydrocarbons N-butane, isobutane, propane, or heptane. These solvents must be of at least 99 percent purity and a processor must use them in a professional grade closed loop extraction system designed to recover the solvents, work in an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.

(3) Processors may use a professional grade closed loop CO₂ gas extraction system where every vessel is rated to a minimum of 600 pounds per square inch. The CO₂ must be of at least 99 percent purity.

(4) Closed loop systems for hydrocarbon or CO₂ extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.

(5) Certification from a licensed engineer must be provided to the LCB for professional grade closed loop systems used by processors to certify that the system was commercially manufactured, safe for its intended use, and built to codes of recognized and generally accepted good engineering practices, such as:

- (a) The American Society of Mechanical Engineers (ASME);
- (b) American National Standards Institute (ANSI);
- (c) Underwriters Laboratories (UL); or
- (d) The American Society for Testing and Materials (ASTM).

(6) The certification document must contain the signature and stamp of a professional engineer and the serial number of the extraction unit being certified.

(7) Professional grade closed loop systems, and other equipment used must be approved for specific use or the technical report must be approved by the state building code officials prior to use per WAC 51-54A-3800.

(8) Professional closed loop systems, other equipment used, the extraction operation, and facilities must be approved for their use by the local fire code official and meet any required fire, safety, and building code requirements specified in:

- (a) Title 296 WAC;
- (b) Chapters 51-51 and 51-54A WAC;
- (c) National Fire Protection Association (NFPA) standards;
- (d) International Building Code (IBC);
- (e) International Fire Code (IFC); and

(f) Other applicable standards including following all applicable fire, safety, and building codes in processing and the handling and storage of the solvent or gas.

(9) Processors may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create kief, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.

(10) Under WAC 314-55-077, infused dairy butter and oils or fats derived from natural sources may be used to prepare infused edible products, but they may not be prepared as stand-alone edible products for sale.

(11) Processors may use food grade glycerin, ethanol, and propylene glycol solvents to create extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.

(12) Processors creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace. Any person using solvents or gases in a closed looped system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.

(13) Parts per million for one gram of finished extract cannot exceed residual solvent or gas levels provided in WAC 314-55-102.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-104, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-104, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-104, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-104, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-104, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-104, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-104, filed 10/21/13, effective 11/21/13.]

WAC 314-55-105 Cannabis product packaging and labeling. (1) The following definitions apply to this section, unless the context clearly indicates otherwise:

(a) "Cartoon" means any drawing or other depiction of an object, person, animal, creature, or any similar caricature that meets any of the following criteria:

(i) The use of comically exaggerated features;

(ii) The attribution of human characteristics to animals, plants, or other objects;

(iii) The attribution of animal, plant, or other object characteristics to humans;

(iv) The attribution of unnatural or extra-human abilities.

(b) "Child resistant packaging" means packaging that is used to reduce the risk of poisoning in persons under the age of 21 through the ingestion of potentially hazardous items including, but not limited to, cannabis concentrates, useable cannabis, and cannabis-infused products.

(c) "Especially appealing to persons under the age of 21" means a product or label that includes, but is not limited to:

(i) The use of cartoons;

(ii) Bubble-type or other cartoon-like font;

(iii) A design, brand, or name that resembles a noncannabis consumer product that is marketed to persons under the age of 21;

(iv) Symbols or celebrities that are commonly used to market products to persons under the age of 21;

(v) Images of persons under the age of 21; or

(vi) Similarities to products or words that refer to products that are commonly associated or marketed to persons under the age of 21.

(d) "Cannabis concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant *Cannabis* and having a THC concentration greater than 10 percent, consistent with RCW 69.50.101.

(e) "Cannabis edible" means a cannabis-infused product as defined in RCW 69.50.101.

(f) "Cannabis topical" or "topical" means any product containing parts of the cannabis plant that is intended for application to the body's surface including, but not limited to, lotions, ointments, salves, gels, or cream that are not intended for ingestion, inhalation, or insertion by humans or animals.

(g) "Structure and function claims" mean a description of the role of a cannabis product intended to affect normal structure and

function in humans, characterized by the means by which a cannabis product acts to maintain such structure or function, or describe the general well-being from consumption of a cannabis product, consistent with the guidance provided in 21 U.S.C. Sec. 343(6).

(h) "Useable cannabis" means dried cannabis flowers consistent with RCW 69.50.101. The term "useable cannabis" does not include either cannabis-infused products or cannabis concentrates.

(2) **Cannabis concentrates.** The following standards apply to all packaging and labeling of cannabis concentrates:

(a) Packaging containing cannabis concentrates must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the cannabis concentrate.

(b) Cannabis concentrates must be packaged:

(i) In child resistant packaging consistent with 16 C.F.R. Part 1700, Poison Prevention Packaging Act; or

(ii) In plastic that is two mil or greater in thickness, heat sealed without an easy-open tab, dimple, corner, or flap that will protect persons under the age of 21 from accidental exposure to cannabis concentrates.

(c) Cannabis concentrates must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(d) Cannabis concentrate labels must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(e) Cannabis concentrate labels must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the cannabis producer and processor;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) The net weight in ounces and grams or volume as applicable;

(iv) Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(v) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vi) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use;

(vii) If solvents were used to create concentrate or extract, a statement that discloses the type of extraction method, including in solvents or gases used to create the concentrate; and

(viii) A complete list of any other chemicals, compounds, additives, thickening agents, terpenes, or other substances used to produce or added to the concentrate or extract at any point during production. A copy of the complete list of chemicals, compounds, additives, thickening agents, terpenes, or other substances must be kept and maintained at the facility in which the cannabis concentrates are processed.

(f) Cannabis concentrate labels may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents that the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis; or
(v) Is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(g) The following statements must be included on all cannabis concentrate labels:

(i) "Warning - May be habit forming;"

(ii) "Unlawful outside Washington State;"

(iii) "It is illegal to operate a motor vehicle while under the influence of cannabis;"

(iv) The cannabis universal symbol as provided in WAC 314-55-106; and

(v) "Smoking is hazardous to your health."

(h) Product labeling for cannabis concentrates identified as compliant cannabis product under RCW 69.50.375(4) and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(i) Where there is one statement made under (h) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product that is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(j) Where there is more than one statement made under (h) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product that is not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(3) **Cannabis edibles in solid form.** The following standards apply to all packaging and labeling of cannabis edibles in solid form:

(a) Packaging containing cannabis edibles in solid form must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the cannabis edibles in solid form.

(b) Cannabis edibles in solid form must be packaged:

(i) In child resistant packaging consistent with 16 C.F.R. Part 1700, Poison Prevention Packaging Act; or

(ii) In plastic that is two mil or greater in thickness, heat sealed without an easy-open tab, dimple, corner, or flap that will protect persons under the age of 21 from accidental exposure to cannabis edibles in solid form.

(c) Cannabis-infused edibles in solid form, such as capsules, lozenges, and similar products approved by the board on a case-by-case basis may be packaged loosely within a resealing outer package that is child resistant in accordance with Title 16 C.F.R. 1700 of the Poison Prevention Packaging Act.

(d) Cannabis edibles in solid form must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(e) Labels for cannabis edibles in solid form must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(f) Labels for cannabis edibles in solid form must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the licensees that produced and processed the cannabis or cannabis products;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) The serving size, the amount of product per serving, and the number of servings contained within the package must be prominently displayed;

(iv) Net weight in ounces and grams or volume as applicable;

(v) Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(vi) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vii) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use;

(viii) A list of ingredients in descending order of predominance by weight or volume as applicable and a list of major food allergens as defined in the Food Allergen Labeling and Consumer Protection Act of 2004;

(ix) If solvents were used, a statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or that were added to the extract.

(g) Labels for cannabis edibles in solid form may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents that the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis, or is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(h) The following warning statements must be included on all labels for all cannabis edibles in solid form. The following warning statements must be legible, unobscured, and visible to the consumer:

(i) "Warning - May be habit forming;"

(ii) "Unlawful outside Washington State;"

(iii) "It is illegal to operate a motor vehicle under the influence of cannabis;"

(iv) The cannabis universal symbol as provided in WAC 314-55-106; and

(v) "Caution: Intoxicating effects may be delayed by 2+ hours."

(i) Product labeling for cannabis edibles in solid form identified as compliant cannabis product under RCW 69.50.375 and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(j) Where there is one statement made under (i) of this subsection, or there is a warning describing the psychoactive effects of the

cannabis product, provided it is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(k) Where there is more than one statement made under (h) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided they are not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(4) **Cannabis edibles in liquid form.** The following standards apply to all packaging and labeling of cannabis edibles in liquid form:

(a) Packaging containing cannabis edibles in liquid form must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the cannabis edibles in liquid form.

(b) Cannabis edibles in liquid form must be packaged:

(i) In child resistant packaging consistent with 16 C.F.R. Part 1700, Poison Prevention Packaging Act; or

(ii) In plastic that is two mil or greater in thickness, heat sealed without an easy-open tab, dimple, corner, or flap that will protect persons under the age of 21 from accidental exposure to cannabis edibles in liquid form.

(iii) Cannabis edibles in liquid form that include more than one serving must be packaged with a resealable closure or cap. Cannabis edibles in liquid form must include a measuring device such as a measuring cup or dropper. Hash marks on the package or package cap qualify as a measuring device.

(c) Cannabis edibles in liquid form must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(d) Labels for cannabis edibles in liquid form must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(e) Labels for cannabis edibles in liquid form must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the licensees that produced and processed the cannabis or cannabis products;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) The serving size, the amount of product per serving, and the number of servings contained within the package must be prominently displayed;

(iv) Net weight in ounces and grams or volume as applicable;

Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(v) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vi) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use;

(vii) A list of all ingredients in descending order of predominance by weight or volume as applicable and a list of major food allergens as defined in the Food Allergen Labeling and Protections Act of 2004;

(viii) If solvents were used, a statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or added to the extract.

(f) Labels for cannabis edibles in liquid form may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis, or is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(g) The following warning statements must be included on all labels for all cannabis edibles in liquid form. The following warning statements must be legible, unobscured, and visible to the consumer:

(i) "Warning - May be habit forming;"

(ii) "Unlawful outside Washington State;"

(iii) "It is illegal to operate a motor vehicle under the influence of cannabis;"

(iv) The cannabis universal symbol as provided in WAC 314-55-106; and

(v) "Caution: Intoxicating effects may be delayed by 2+ hours."

(h) Product labeling for cannabis edibles in liquid form identified as compliant cannabis product under RCW 69.50.375(4) and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(i) Where there is one statement made under (h) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided it is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(j) Where there is more than one statement made under (h) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided they are not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(5) **Useable cannabis.** The following standards apply to all packaging and labeling of useable cannabis:

(a) Packaging containing useable cannabis must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the useable cannabis.

(b) Useable cannabis must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(c) Useable cannabis must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(d) Labels for useable cannabis must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the licensees that produced and processed the cannabis or cannabis products;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) Net weight in ounces and grams or volume as applicable;

(iv) Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(v) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vi) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use.

(e) Labels for useable cannabis may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis, or is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(f) The following warning statements must be included on all labels for all useable cannabis. The following warning statements must be legible, unobscured, and visible to the consumer:

(i) "Warning - May be habit forming;"

(ii) "Unlawful outside Washington State;"

(iii) "It is illegal to operate a motor vehicle under the influence of cannabis;"

(iv) The cannabis universal symbol as provided in WAC 314-55-106; and

(v) "Smoking is hazardous to your health."

(g) Product labeling for useable cannabis identified as compliant cannabis product under RCW 69.50.375(4) and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(h) Where there is one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided it is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(i) Where there is more than one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided they are not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(6) **Cannabis mix.** Cannabis mix is defined in WAC 314-55-010(7) as an intermediate lot that contains multiple strains of useable cannabis and is chopped or ground so no particles are greater than 3 mm. The following standards apply to all packaging and labeling of cannabis mix:

(a) Packaging containing cannabis mix must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the cannabis mix.

(b) Cannabis mix must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(c) Cannabis mix must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(d) Labels for cannabis mix must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the licensees that produced and processed the cannabis or cannabis products;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) Net weight in ounces and grams or volume as applicable;

(iv) Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(v) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vi) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use;

(vii) If solvents were used, a statement that discloses the type of extraction method, including any solvents, gases, or other chemicals or compounds used to produce or added to the extract;

(viii) Any other chemicals or compounds used to produce or were added to the concentrate or extract.

(e) Labels for cannabis mix form may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis, or is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(f) The following warning statements must be included on all labels for all cannabis mix. The following warning statements must legible, unobscured, and visible to the consumer:

(i) "Warning - May be habit forming;"

(ii) "Unlawful outside Washington State;"

(iii) "It is illegal to operate a motor vehicle under the influence of cannabis;"

(iv) The cannabis universal symbol as provided in WAC 314-55-106; and

(v) "Smoking is hazardous to your health."

(g) Product labeling for cannabis mix identified as compliant cannabis product under RCW 69.50.375(4) and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(h) Where there is one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided it is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(i) Where there is more than one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided they are not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(7) **Cannabis topicals.** The following standards apply to all packaging and labeling of cannabis topicals:

(a) Packaging containing a cannabis topical must protect the product from contamination. Packaging must not impart any toxic or harmful substance to the cannabis topical.

(b) Cannabis topicals must not be labeled as organic unless permitted by the U.S. Department of Agriculture consistent with the Organic Foods Production Act.

(c) Cannabis topicals must comply with the version of NIST Handbook 130, Uniform Packaging and Labeling regulation adopted in chapter 16-662 WAC.

(d) Labels for cannabis topicals must clearly and visibly provide all of the following information:

(i) The business or trade name and the nine-digit Washington state unified business identifier (UBI) number of the licensees that produced and processed the cannabis or cannabis products;

(ii) The lot number of the product. This must be the same number that appears on the transport manifest;

(iii) The label must prominently display the net weight in ounces and grams or volume as applicable, and may not exceed serving and transaction limits as described in WAC 314-55-095;

(iv) Total THC, calculated individually for each tetrahydrocannabinol compound present in amounts greater than 0.2 mg/g, as defined in WAC 314-55-010, using the formula referenced in WAC 314-55-102;

(v) Total CBD (cannabidiol) meaning the concentration of CBDA and CBD, using the formulas referenced in WAC 314-55-102;

(vi) Medically and scientifically accurate and reliable information about the health and safety risks posed by cannabis use; and

(vii) A list of all ingredients in descending order of predominance by weight or volume as applicable.

(e) Labels for cannabis topicals may not contain any statement, depiction, or illustration that:

(i) Is false or misleading, consistent with guidance provided in 21 C.F.R. Sec. 101.18(a);

(ii) Promotes over consumption;

(iii) Represents the use of cannabis has curative or therapeutic effects;

(iv) Depicts a person under the age of 21 consuming cannabis or is especially appealing to persons under 21 years of age as defined in subsection (1)(c) of this section.

(f) The following warning statements must be included on all labels for all cannabis topicals. The following warning statements must be legible, unobscured, and visible to the consumer:

(i) "Unlawful outside Washington State;"

(ii) The cannabis universal symbol as provided in WAC 314-55-106; and

(iii) "**DO NOT EAT**" in bold, capital letters.

(g) Product labeling for cannabis topicals identified as compliant cannabis product under RCW 69.50.375(4) and chapter 246-70 WAC may include:

(i) A structure or function claim describing the intended role of the product to maintain the structure or any function of the body; or

(ii) Characterization of the documented mechanism by which the product acts to maintain such structure or function, provided that the claim is truthful and not misleading.

(iii) Any statement made under this subsection may not claim to diagnose, mitigate, treat, cure, or prevent any disease.

(h) Where there is one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided it is not false or misleading, the disclaimer must state, "This statement has not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(i) Where there is more than one statement made under (g) of this subsection, or there is a warning describing the psychoactive effects of the cannabis product, provided they are not false or misleading, the disclaimer must state, "These statements have not been evaluated by the State of Washington. This product is not intended to diagnose, treat, cure, or prevent any disease."

(8) **Optional label information.** Optional label information includes the following: Harvest date, "best by" date, and manufactured dates.

(9) **Accompanying materials.** Accompanying materials must be provided with a cannabis product or made available to the consumer purchasing cannabis products.

A producer or processor must provide the following product-specific information, for as long as the product is for sale, through an internet link, web address, or QR code on the product label as follows:

(a) A statement disclosing all pesticides applied to the cannabis plants and growing medium during production of the useable cannabis or the base cannabis used to create the concentrate or the extract added to infused products;

(b) A list disclosing all of the chemicals, compounds, additives, thickening agents, terpenes, or other substances added to any cannabis concentrate during or after production.

(10) **Upon request materials.** A consumer may request the name of the certified lab and quality assurance test results for any cannabis or cannabis product. A retailer must provide the information upon request.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-105, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-105, filed

7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345 and 2019 c 393. WSR 20-01-172, § 314-55-105, filed 12/18/19, effective 1/1/20. Statutory Authority: RCW 69.50.342, 69.50.345 and 2018 c 43 s 1. WSR 18-11-005, § 314-55-105, filed 5/2/18, effective 1/1/19. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-105, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-105, filed 5/20/15, effective 6/20/15; WSR 14-10-044, § 314-55-105, filed 4/30/14, effective 5/31/14. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-105, filed 10/21/13, effective 11/21/13.]

WAC 314-55-1055 Ingredient disclosure. (1) All licensed cannabis processors and producers must disclose all ingredients used in the production of cannabis concentrates for inhalation and cannabis-infused extracts for inhalation.

(2) All chemicals, compounds, additives, preservatives, thickening agents, terpenes, and other substances used at any point in the production or processing of cannabis concentrates for inhalation or cannabis-infused extracts for inhalation, regardless of source or origin, must be disclosed to the board as follows:

(a) On a form provided by the board and stored by the licensee, either electronically or in hard copy, and made available for inspection if requested by an employee of the board; and

(b) In a manner directed by the board including, but not limited to, submission to an email address or other online platform provided and maintained by the board.

(3) The complete list of all chemicals, compounds, additives, preservatives, thickening agents, terpenes, and other substances used at any point in the production or processing of cannabis concentrates for inhalation or cannabis-infused extracts for inhalation, regardless of source or origin, that is required under subsection (2) of this section must be kept and maintained, consistent with recordkeeping requirements described in WAC 314-55-087, at the facility in which the products are processed. The list must be updated whenever there is any change in product composition.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-1055, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-05-075, § 314-55-1055, filed 2/17/21, effective 3/20/21.]

WAC 314-55-106 Cannabis warning symbol requirement. The following requirements are in addition to the packaging and labeling requirements provided in WAC 314-55-105.

(1) Cannabis-infused products for oral ingestion sold at retail must be labeled on the principal display panel or front of the product package with the "not for kids" warning symbol ("warning symbol") created and made available in digital form to licensees without cost by the Washington poison center (WPC). The warning symbol may be found on the WPC's website.

(a) The warning symbol must be of a size so as to be legible, readily visible by the consumer, and effective to alert consumers and children that the product is not for kids, but must not be smaller than three-quarters of an inch in height by one-half of an inch in width; and

(b) The warning symbol must not be altered or cropped in any way other than to adjust the sizing for placement on the principal display panel or front of the product package, except that a licensee must use a black border around the edges of the white background of the warning symbol image when the label or packaging is also white to ensure visibility of the warning symbol.

(c) Licensees may download the digital warning symbol from the WPC and print stickers, or purchase and use a sticker made available by the WPC, in lieu of incorporating the warning symbol on the label or packaging as required under subsection (1) of this section. If a licensee elects to use a warning symbol sticker, the sticker:

(i) Must meet all requirements of (a) and (b) of this subsection; and

(ii) Must not cover or obscure in any way labeling or information required on cannabis products by WAC 314-55-105.

(2) All cannabis products sold at retail must be labeled on the principal display panel or front of the product package with the cannabis universal symbol ("universal symbol") created and made available in digital form to licensees without cost by the LCB. The digital file for the universal symbol is available on the LCB's website.

(a) The universal symbol must be of a size so as to be legible, readily visible by the consumer, and effective to alert consumers that the product is or contains cannabis, but must not be smaller than three-quarters of an inch in height by three-quarters of an inch in width;

(b) The universal symbol must not be altered or cropped in any way other than to adjust the sizing for placement on the principal display panel or front of the product package; and

(c) Licensees may download the digital universal symbol from the WSLCB's website and print stickers in lieu of incorporating the universal symbol on the label or packaging as required under (a) and (b) of this subsection. If a licensee elects to use a universal symbol sticker, the sticker:

(i) Must meet all requirements of this section; and

(ii) Must not cover or obscure in any way labeling or information required on cannabis products by WAC 314-55-105.

(3) For the purposes of this section, "principal display panel" means the portion(s) of the surface of the immediate package or of any outer package or wrapping, which bear(s) the labeling designed to be most prominently displayed, shown, presented, or examined under conditions of retail sale. "Immediate package" means the external container holding the cannabis product.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-106, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-106, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345 and 2018 c 43 s 1. WSR 18-11-005, § 314-55-106, filed 5/2/18, effective 1/1/19. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-23-089, § 314-55-106, filed 11/16/16, effective 2/14/17.]

WAC 314-55-107 Cannabis product compliance. A cannabis compliant product must meet all requirements in the department of health rules found in chapter 246-70 WAC in addition to all LCB requirements found in chapter 314-55 WAC.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-107, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-107, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-107, filed 5/18/16, effective 6/18/16.]

WAC 314-55-108 Pesticide action levels. (1) Only pesticides allowed under WAC 314-55-084 may be used in the production of cannabis, and they must be registered by the Washington state department of agriculture (WSDA) under chapter 15.58 RCW.

(2) Pursuant to WAC 314-55-102, if the WSLCB, WSDA, other designee of the WSLCB, or certified lab identifies a pesticide that is not allowed under subsection (1) of this section and is above the action levels provided in subsection (3) of this section, that lot or batch from which the sample was deducted has failed quality control testing and may be subject to a recall as provided in WAC 314-55-225.

(3) The action levels for pesticides are provided in the table below. The action level for all other pesticides that are not listed in the table below or not allowed under subsection (1) of this section is 0.1 ppm.

Analyte	µg/g (ppm)	CAS#
Abamectin (Sum of Isomers)	0.50	71751-41-2
• Avermectin B1a		65195-55-3
• Avermectin B1b		65195-56-4
Acephate	0.40	30560-19-1
Acequinocyl	2.0	57960-19-7
Acetamiprid	0.20	135410-20-7
Aldicarb	0.40	116-06-3
Azoxystrobin	0.20	131860-33-8
Bifenazate	0.20	149877-41-8
Bifenthrin	0.20	82657-04-3
Boscalid	0.40	188425-85-6
Carbaryl	0.20	63-25-2
Carbofuran	0.20	1563-66-2
Chlorantraniliprole	0.20	500008-45-7
Chlorfenapyr	1.0	122453-73-0
Chlorpyrifos	0.20	2921-88-2
Clofentezine	0.20	74115-24-5
Cyfluthrin	1.0	68359-37-5
Cypermethrin	1.0	52315-07-8
Daminozide	1.0	1596-84-5
DDVP (Dichlorvos)	0.10	62-73-7
Diazinon	0.20	333-41-5
Dimethoate	0.20	60-51-5
Ethoprophos	0.20	13194-48-4
Etofenprox	0.40	80844-07-1

Analyte	µg/g (ppm)	CAS#
Ettoxazole	0.20	153233-91-1
Fenoxycarb	0.20	72490-01-8
Fenpyroximate	0.40	134098-61-6
Fipronil	0.40	120068-37-3
Flonicamid	1.0	158062-67-0
Fludioxonil	0.40	131341-86-1
Hexythiazox	1.0	78587-05-0
Imazalil	0.20	35554-44-0
Imidacloprid	0.40	138261-41-3
Kresoxim-methyl	0.40	143390-89-0
Malathion	0.20	121-75-5
Metalaxyl	0.20	57837-19-1
Methiocarb	0.20	2032-65-7
Methomyl	0.40	16752-77-5
Methyl parathion	0.20	298-00-0
MGK-264	0.20	113-48-4
Myclobutanil	0.20	88671-89-0
Naled	0.50	300-76-5
Oxamyl	1.0	23135-22-0
Paclobutrazol	0.40	76738-62-0
Permethrins (Sum of Isomers)	0.20	52645-53-1
• cis-Permethrin		54774-45-7
• trans-Permethrin		51877-74-8
Phosmet	0.20	732-11-6
Piperonyl butoxide	2.0	51-03-6
Prallethrin	0.20	23031-36-9
Propiconazole	0.40	60207-90-1
Propoxur	0.20	114-26-1
Pyrethrins (Sum of Isomers)	1.0	8003-34-7
• Pyrethrin I		121-21-1
• Pyrethrin II		121-29-9
Pyridaben	0.20	96489-71-3
Spinosad (Sum of Isomers)	0.20	168316-95-8
• Spinosyn A		131929-60-7
• Spinosyn D		131929-63-0
Spiromesifen	0.20	283594-90-1
Spirotetramat	0.20	203313-25-1
Spiroxamine	0.40	118134-30-8
Tebuconazole	0.40	80443-41-0
Thiacloprid	0.20	111988-49-9
Thiamethoxam	0.20	153719-23-4
Trifloxystrobin	0.20	141517-21-7

(4) For the purposes of this section, limits have been written to the number of significant digits that laboratories are expected to use when reporting to the board and on associated certificates of analysis.

(5) Except as otherwise provided in this section, licensed cannabis producer or processor that provided a sample that fails quality control testing must dispose of the entire lot or batch from which the sample was taken as provided by cannabis waste disposal requirements in WAC 314-55-097 and document the disposal of the sample pursuant to traceability requirements in WAC 314-55-083(4) and recordkeeping requirements in WAC 314-55-087. A licensee's sample that does not test above the pesticide action levels under this section where test results show the presence of a pesticide that is not allowed under subsection (1) of this section may still be subject to an administrative violation if the disallowed pesticide was applied.

(6) Pursuant to WAC 314-55-102, at the request of the producer or processor, the WSLCB may authorize a retest to validate a failed test result on a case-by-case basis. All costs of the retest will be borne by the producer or the processor requesting the retest.

(7) Pursuant to WAC 314-55-102, upon request a cannabis licensee must disclose and make available all quality control tests and retest results for the lot or batch of usable cannabis, cannabis concentrates, or cannabis-infused products to the cannabis licensee or retail customer who is considering purchasing the usable cannabis, cannabis concentrates, or cannabis-infused products.

[Statutory Authority: RCW 69.50.345 and 69.50.348. WSR 22-13-051, § 314-55-108, filed 6/8/22, effective 7/9/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 17-12-032, § 314-55-108, filed 5/31/17, effective 8/31/17.]

WAC 314-55-109 Cannabinoid additives—Requirements, restrictions, and quality assurance testing. (1) As provided in RCW 69.50.326 Licensed cannabis producers and licensed cannabis processors may use a cannabidiol (CBD) product obtained from a source not licensed under this chapter, provided the CBD product:

(a) Is not cannabis or a cannabis product, as defined in chapter 69.50 RCW; and

(b) Has been tested for contaminants and toxins by a testing laboratory certified under this chapter and in accordance with testing standards established in this section.

(2) Licensed cannabis producers and licensed cannabis processors may use a CBD product obtained from a source not licensed under this chapter and chapter 69.50 RCW as an additive for the purpose of enhancing the CBD concentration of any product authorized for production, processing, and sale under this chapter. However, useable cannabis, except cannabis that is an intermediate product that will be converted into a cannabis-infused product or a cannabis concentrate, may not be treated or otherwise adulterated in any way including the addition of a CBD product consistent with the rules of this chapter. Except as allowed under this section, CBD product additives must be lawfully produced by, or purchased from, a producer or processor licensed under this chapter. The testing requirements for CBD products derived from cannabis produced by cannabis licensees are provided in WAC 314-55-102. The testing requirements in this section are required in

addition to quality assurance testing otherwise required under this chapter for cannabis products.

(3) **Traceability requirements.** A licensee must enter CBD products obtained from a source not licensed under this chapter into the state traceability system and keep the information in the traceability system completely up to date, consistent with cannabis and cannabis product recordkeeping and traceability requirements in WAC 314-55-083. A licensee must keep CBD products obtained from a source not licensed under this chapter labeled and quarantined in an area separate from cannabis and cannabis products under video surveillance consistent with the requirements for controlled areas in WAC 314-55-083(3) until the CBD products successfully pass quality assurance testing or are destroyed due to failure of tests as provided in this section. At no time during the quarantine period can the product be handled or moved under any circumstances, except for purposes of deducting samples as required under this section, and is subject to auditing by the LCB or its designee(s). CBD products obtained from a source not licensed under this chapter that fail quality assurance testing as provided in this section must not be added to any cannabis product and must be disposed of consistent with WAC 314-55-097 and the disposal logged into the traceability system consistent with WAC 314-55-083.

(4) **Testing requirements.** The following sample deduction and testing requirements apply to CBD products obtained from a source not licensed under this chapter. Such products must successfully pass quality assurance testing prior to being added to any cannabis product. Samples that fail quality assurance testing and the corresponding products that the samples were deducted from must be disposed of consistent with WAC 314-55-097.

(a) **Sample size and deduction requirements.** Licensed producers, licensed processors, certified laboratories, and their employees must adhere to the minimum sampling protocols as provided in this section. Samples must be deducted in a way that is most representative of the product the sample is deducted from. The minimum sample size for the testing requirements under this section for CBD products is one percent of the product as packaged by the manufacturer of the CBD product but in no case shall the sample be less than two grams. Licensees, certified laboratories, and their employees may not adulterate or change in any way the representative sample before the sample is tested.

(i) All samples must be collected/deducted in a sanitary environment using sanitary practices and ensure facilities are constructed, kept, and maintained in a clean and sanitary condition in accordance with rules and as prescribed by the Washington state department of agriculture under chapters 16-165 and 16-167 WAC.

(ii) Persons collecting samples must wash their hands prior to collecting a sample, wear appropriate gloves, and must use sanitary utensils and storage devices when collecting samples.

(iii) Samples must be placed in a sanitary plastic or glass container and stored in a location that prevents the propagation of pathogens and other contaminants, such as a secure, low-light, cool and dry location.

(iv) The licensee must maintain the CBD products from which the sample was deducted in a secure, low-light, cool, and dry location to prevent the products from becoming contaminated or degraded prior to the CBD products being added or incorporated into cannabis products after successful passage of testing requirements.

(v) Each quality assurance sample must be clearly marked "quality assurance sample" and be labeled with the following information:

(A) The unique identifier for the product generated by the state traceability system;

(B) The name of the certified laboratory receiving the sample;

(C) The license number and business or trade name of the licensee sending the sample;

(D) The date the sample was collected; and

(E) The weight of the sample.

(vi) Certified laboratories may retrieve samples from a cannabis licensee's licensed premises and transport the sample(s) directly to the laboratory. Certified laboratories may also return any unused portion of the sample(s).

(b) **Required fields of testing.**

(i) **Cannabinoid concentration analysis.** Cannabinoid concentration analysis is required to confirm the product is not cannabis or a cannabis product, as defined in chapter 69.50 RCW, contains detectable levels of CBD, and to measure the levels of THC, THC-A, CBD, and CBD-A in the product, as provided in WAC 314-55-102. Synthetic cannabinoids as defined in RCW 69.50.204 are prohibited under RCW 69.50.401 and any test result that suggests the presence of a synthetic cannabinoid must be immediately reported to the board in the required format. The cannabinoid concentration analysis must be conducted consistent with the requirements under WAC 314-55-102. The following cannabinoid concentration analysis results fail quality control and assurance testing for the purposes of this section and the sample and corresponding product from which the sample was deducted must be disposed of consistent with this section and WAC 314-55-097:

(A) The CBD product is cannabis or a cannabis product, as defined in chapter 69.50 RCW;

(B) The CBD product does not contain any detectable levels of CBD or CBD-A; and

(C) The sample test results indicate that a substance is present that is not THC, CBD, or inert substance which the THC or CBD is dissolved into.

(ii) **Pesticide testing.**

(A) Licensees must use a certified laboratory to test for any pesticides that are not allowed and are designated as having the potential for misuse on a list created, maintained, and periodically updated by the department of health in consultation with the Washington state department of agriculture and the LCB.

(B) If the LCB, WSDA, other designee of the LCB, or certified laboratory identifies a pesticide that is not allowed for use or application on cannabis under this chapter and is above the action levels provided in WAC 314-55-108, that sample and corresponding product from which the sample was deducted has failed quality assurance testing. A sample that tests at or above the action levels for pesticides consistent with WAC 314-55-108 fails pesticide testing requirements for the purposes of this section. A sample and corresponding product from which the sample was deducted that fails quality assurance testing under this section must be destroyed consistent with WAC 314-55-097.

(C) Cannabis licensees must also use certified laboratories to screen for pyrethrins and piperonyl butoxide (PBO) in samples of CBD products obtained from a source not licensed under this chapter. Certified laboratories may also screen for additional pesticides not specifically required under this section and per the DOH list, however,

any sample that tests at or above the action level for any pesticide(s) as established in WAC 314-55-108 fails the testing requirements under this section and must be disposed of consistent with WAC 314-55-097.

(iii) **Heavy metal testing.** For the purposes of heavy metal testing, a sample fails quality assurance testing and must be disposed of consistent with WAC 314-55-097 if it meets or exceeds the limits provided in WAC 314-55-102.

(iv) **Residual solvents testing.** Cannabis licensees must use a certified laboratory to test for the solvents listed in the table below at a minimum. Except as otherwise provided in this subsection, a sample and corresponding product from which the sample was deducted fail quality assurance testing for residual solvents and must be disposed of consistent with WAC 314-55-097 if the results meet or exceed the limits provided in WAC 314-55-102. Residual solvent results of more than 5,000 ppm for class three solvents, 50 ppm for class two solvents, and 2 ppm for class one solvents as defined in *United States Pharmacopoeia, USP 30 Chemical Tests / <467> - Residual Solvents (USP <467>)* not listed in the table below fail quality assurance testing.

(v) **Microbiological testing.** The sample and corresponding product from which the sample was deducted fail quality assurance testing for microbiological screening and must be disposed of consistent with WAC 314-55-097 if the results exceed the limits provided in WAC 314-55-102.

(vi) **Mycotoxin testing.** The sample and corresponding product from which the sample was deducted fail quality assurance testing for mycotoxin testing and must be disposed of consistent with WAC 314-55-097 if the results exceed the limits provided in WAC 314-55-102.

(5) **Test results reporting requirements.** Cannabis licensees must use an LCB certified laboratory to report all test results as required by this section into the state traceability system within 24 hours of completion of the tests.

(6) **Retesting.** At the request of the producer or processor, the LCB may authorize a retest to validate a failed test result on a case-by-case basis. All costs of the retest will be borne by the producer or the processor requesting the retest. Retesting cannabinoid concentrations will not generally be authorized.

(7) **Remediation.** Producers and processors may remediate failed products so long as the remediation method does not impart any toxic or deleterious substance to the CBD products obtained from a source outside the regulated system. Remediation solvents or methods used on the product must be disclosed to a licensed processor the producer or producer/processor transfers the products to; a licensed retailer carrying cannabis products derived from the remediated product; or consumer upon request. The product(s) the failed sample(s) were deducted from must be remediated using the same remediation technique. No remediated CBD products obtained from a source outside the regulated system may be sold, transported, or used in the processing of cannabis products until the completion and successful passage of quality assurance testing as required in this section.

(8) A licensee or certified laboratory that violates any of the provisions of this section is subject to disciplinary action, including possible summary suspension or revocation of the producer license, processor license, producer/processor license, or laboratory certification.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.348. WSR 25-09-167, s 314-55-109, filed 4/23/25, effective 5/24/25. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-21-051, s 314-55-109, filed 10/9/24, effective 1/7/25. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-109, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 18-22-056, § 314-55-109, filed 10/31/18, effective 12/1/18.]

WAC 314-55-110 Licensee responsibilities. (1) Cannabis licensees are responsible for the operation of their licensed business in compliance with the cannabis laws and rules of the board, chapters 69.50 and 69.51A RCW, 314-55 WAC, and any other applicable state laws and rules.

(2) The penalties for violations of cannabis laws or rules are in WAC 314-55-509 through 314-55-525, as now or hereafter amended. The rules also outline aggravating and mitigating circumstances that may affect what penalty is applied if a licensee or employee does not comply with a cannabis law or rule.

(3) Licensees and their employees must conduct the business and maintain the licensed premises, surrounding area, and vehicles transporting product, in compliance with the following laws, as they now exist or may later be amended:

- (a) Titles 9 and 9A RCW, the criminal code;
- (b) Title 66 RCW, the liquor laws;
- (c) Chapters 70.155, 70.345, 82.24, and 82.26 RCW and RCW 26.28.080, the tobacco laws;
- (d) Chapter 69.50 RCW, the uniform controlled substances laws; and
- (e) Chapter 69.51A RCW, the medical cannabis laws.

(4) Licensees must control their conduct and the conduct of employees, customers, and visitors on the licensed premises at all times. Except as otherwise provided by law, licensees or employees may not:

- (a) Be disorderly or apparently intoxicated by liquor, cannabis, or controlled substances on the licensed premises;
- (b) Permit any disorderly person to remain on the licensed premises;
- (c) Engage in or allow behavior on the licensed premises that is a threat to public safety;
- (d) Engage, or permit any employee or other person to engage in, conduct on the licensed premises which is prohibited by any portion of Title 9, 9A, or 66 RCW, or chapters 69.50 and 69.51A RCW;
- (e) Engage in or permit any employee or other person to engage in the consumption of any type of cannabis, usable cannabis, cannabis concentrate, or cannabis-infused product on the licensed premises.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-110, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-110, filed 5/18/16, effective 6/18/16.]

WAC 314-55-115 Methods of payment for cannabis licensees purchasing cannabis. A cannabis licensee must pay cash for cannabis pri-

or to or at the time of delivery. The LCB will recognize the following forms of payment as cash payment for the purpose of this section.

(1) **Checks**, under the following provisions:

(a) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(b) Both parties must maintain records of transactions, including relevant proof of mailing, and have the records readily available for the LCB review.

(c) The check must be sent, delivered, or mailed by the cannabis licensee no later than the first business day following delivery and must be deposited as promptly as is reasonably practical, and in no event later than five business days following delivery. Any attempt by a cannabis licensee to delay payment on checks for any period of time beyond the minimum as is reasonably practical will be considered an unlawful attempt to purchase products on credit.

(2) **Credit/debit cards**, under the following provisions:

(a) The credit or debit card transaction agreement must be voluntary on the part of both licensees, and there must be no discrimination for nonparticipation in credit or debit card transactions.

(b) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(c) Both parties must bear their respective banking costs or other costs associated with the credit or debit card service.

(d) Both parties must maintain records of transactions and have the records readily available for the LCB review.

(e) The credit or debit card charge must be initiated by the cannabis licensee no later than the first business day following delivery.

(3) **Electronic funds transfer (EFT)**, under the following provisions:

(a) The EFT agreement must be voluntary on the part of both the licensees, and there must be no discrimination for nonparticipation in EFT.

(b) Prior to any EFT transaction, the cannabis licensee must enter into a written agreement specifying the terms and conditions for EFT as payment for cannabis.

(c) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(d) Both parties must bear their respective banking costs or other costs associated with EFT service.

(e) Both parties must maintain records of transactions and have the records readily available for the LCB review.

(f) The electronic funds transfer must be initiated by the cannabis licensee no later than the first business day following delivery and must be paid as promptly as is reasonably practical, and in no event later than five business days following delivery. Any attempt by a cannabis licensee to delay payment on EFT transactions for any period of time beyond the minimum as is reasonably practical will be considered an unlawful attempt to purchase products on credit.

(4) **Prepaid accounts**. Both parties must keep accurate accounting records of prepaid accounts to ensure a cash deposit is not overextended, which is considered an extension of credit.

(5) **Transactions using a money transmitter**, under the following provisions:

(a) The money transmitter must be licensed by and in good standing with the Washington state department of financial institutions.

(b) A sale must be initiated by an irrevocable invoice or sale order before or at the time of delivery.

(c) Both parties must bear their respective costs associated with the money transmitter service.

(d) Both parties must maintain records of transactions and have the records readily available for the LCB to review.

(e) The funds transfer through the money transmitter must be initiated by the cannabis licensee no later than the first business day following delivery and must be paid as promptly as is reasonably practical, and in no event later than five business days following delivery. Any attempt by a cannabis licensee to delay payment on money transmitter transactions for any period of time beyond the minimum as is reasonably practical will be considered an unlawful attempt to purchase products on credit.

(6) Any transaction reported as having nonsufficient funds (NSF) will be considered an extension of credit. If a transaction is reported as NSF:

(a) The purchaser must pay the full amount of the transaction to the seller by 3:00 p.m. on the first business day following receipt of the NSF report.

(b) Until the NSF transaction is paid:

(i) The cannabis licensee who received the NSF transaction will not deliver any cannabis to the purchaser; and

(ii) It is the responsibility of the purchaser to not receive additional cannabis from any other cannabis licensee.

(7) As used in this section, "delivery" refers to delivery of cannabis.

(8) All records must be kept and maintained consistent with WAC 314-55-087.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 24-20-055, s 314-55-115, filed 9/25/24, effective 10/26/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-115, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-115, filed 5/18/16, effective 6/18/16.]

WAC 314-55-117 Use of payment services by retailers. Retail licensees may use payment services to facilitate retail sales transactions under the following conditions:

(1) The payment service provider must:

(a) If applicable, be licensed and in good standing with the Washington state department of financial institutions; and

(b) Not have any interest, as a true party of interest or financier, in a cannabis licensee.

(2) The payment service provider may charge a convenience fee to customers provided that the customer has the option of canceling the transaction when informed of the convenience fee.

(3) The retail purchase price must be calculated in U.S. dollars.

(4) The cannabis excise tax required under RCW 69.50.535 must be collected from the customer based on the U.S. dollar purchase price.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-117, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-117, filed 10/31/18, effective 12/1/18.]

WAC 314-55-120 Ownership changes. (1) Licensees must receive prior board approval before making any of the following ownership changes (see WAC 314-55-035 for the definition of "true party of interest"):

Type of change	Type of application	Fee
Change in the true parties of interest or owners in a: Sole proprietorship, general partnership, limited partnership, or limited liability partnership.	New application.	Application fee and annual fee for current license privilege.
Change in the true parties of interest or owners for a publicly or privately held corporation. The board will waive the fee for a corporate change when the proposed change consists solely of dropping an approved officer.	Application for change in corporate officer and/or stockholder.	\$75
Change in the true parties of interest or owners in a limited liability company.	Application for change of limited liability company member and/or manager.	\$75
Accepting additional funds from a new or previously approved financier.	Added financier.	\$75

(2) Licensees must notify the board if there are any changes to marital status of any true party of interest in the license.

(3) The board may inquire into all matters in connection with any sale of stock/units or proposed change in officers/members.

(4) If the board receives an application to change the ownership structure of a licensee, the application will be withdrawn unless one or more of the following is submitted:

(a) Proof that the party being removed was notified that they were being removed and they did not object within 90 days;

(b) Signed documentation from the true party of interest being removed for the licensed entity that they agree with the removal; or

(c) A final court document removing them.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-120, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-120, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-120, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-120, filed 10/21/13, effective 11/21/13.]

WAC 314-55-125 Change of location. (1) Changing a cannabis license to a new location requires a change request application to the board and initiated through business licensing services, as described in WAC 314-55-020. Board approval for change request applications must be obtained prior to any change of location of the licensed business.

(2) A change of location occurs any time a move by the licensee results in any change to the physical location address.

[Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-125, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-125, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-125, filed 10/21/13, effective 11/21/13.]

WAC 314-55-130 Change of business name. (1) If a licensee wishes to change the name of their business, the licensee must apply for a change of trade name with the department of revenue, business license service.

(2) If a licensee wishes to change their corporation or limited liability company name, the licensee must apply for a change of name through the secretary of state.

(3) See chapter 434-12 WAC for guidelines for trade names.

[Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-130, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-130, filed 10/21/13, effective 11/21/13.]

WAC 314-55-135 Discontinue cannabis sales. (1) **Notification:** A licensee must notify the LCB's enforcement and education division in writing if the licensee plans to stop doing business for more than 30 days, or if the licensee plans to permanently discontinue cannabis sales.

(2) **Discontinued business: Sale of cannabis inventory and stock after discontinuance of business.** Notwithstanding any other provision of Title 69 RCW or 314 WAC, a producer, processor or retail licensee who permanently discontinues business for any reason shall dispose of the salable inventory and remaining stock to a LCB approved licensed business at fair market value. Sales below cost are prohibited. The LCB shall require tax expressed as a percent of the total price of the gross sales as reported on the profit and loss statement in the last published monthly report of the LCB. In the event of remaining inventory after sale, the licensee shall notify the enforcement and education division of the LCB. The enforcement division will establish conditions for destruction or arrange for the removal of product.

(3) **Assumptions: Assumption of license and purchases by licensee of certain cannabis inventory and stock.** In the case of a sale of business with a license, after obtaining the approval of the LCB and under the supervision of a representative of the LCB, the licensee may sell the entire inventory at a negotiated fair market price. Sales below cost are prohibited.

(4) **Evictions.** A licensee must notify the LCB's enforcement and education division immediately in writing upon notice of eviction from

a licensed premises. Conditions to temporarily relocate and secure inventory will be established by the LCB.

(5) **Abandoned cannabis inventory or product.** In the event a licensee abandons any cannabis on the premises, the property owner or their designated representative should notify the enforcement and education division of the LCB. The enforcement division will work with the property owner to arrange for the removal and/or destruction of product. Any sales or distribution of cannabis by an unlicensed person is subject to the criminal provisions of Title 69 RCW.

(6) **Maintaining a licensed location.** Cannabis licenses are associated with a physical location. Persons operating without a LCB approved licensed location to produce, process, or sell cannabis will be discontinued.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-135, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-135, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-135, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-135, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-135, filed 10/21/13, effective 11/21/13.]

WAC 314-55-137 Receiverships. (1) Service and notice.

(a) Any person who files any receivership or trustee action involving any cannabis licensee must serve the board with original notice of the action. Service is accomplished by delivery of the original notice of action to the board through one of the following methods:

(i) Delivery to the board at 1025 Union Avenue S.E., Olympia, WA 98504; or

(ii) Mailed to the board. Mailed notice must be addressed to: LCB, ATTN: Licensing - Receiverships, P.O. Box 43076, Olympia, WA 98504-3076 or, for certified mail, LCB, ATTN: Licensing - Receiverships, 1025 Union Avenue S.E., Olympia, WA 98504; or

(iii) Electronic delivery to the board at licensingappeals@lcb.wa.gov.

(b) The board will find a licensee compliant with this section only if it receives original notice of the action and the receiver is selected consistent with board requirements.

(2) **The role of a receiver when a licensee is placed in receivership.** If a cannabis licensee is placed under receivership, the receiver:

(a) Upon compliance with the requirements listed in this section, the receiver may operate the licensee's business during the receivership period;

(b) The receiver assumes all licensee reporting responsibilities under this chapter including, but not limited to, full responsibility for maintaining records and entries into the traceability system maintained by the board; and

(c) The receiver is required to comply with all applicable laws under chapter 69.50 RCW and rules in this chapter including, but not limited to, the responsibilities of cannabis licensees set forth in WAC 314-55-110.

(d) Failure to abide by the requirements set forth in chapter 69.50 RCW and this chapter as specified in this subsection may result in enforcement action against the license under chapter 69.50 RCW and rules under this chapter and may result in the receiver being disqualified to act as a receiver by the board.

(3) **Who may serve as a receiver.** Any person who meets the requirements of chapter 7.60 RCW and the following additional requirements may serve as a receiver for a cannabis business:

(a) Is currently in good standing on the preapproved receiver list maintained by the board; or

(b) Is approved by the board under the requirements in subsection (5) of this section to serve as a receiver of a cannabis licensee.

(4) **Qualifying for the board's preapproved receiver list.**

(a) The following requirements must be met to qualify for the board's preapproved receiver list:

(i) Submit a complete receiver application with the board;

(ii) Be a Washington state resident for at least six months prior to the application for preapproval as a receiver and maintain residency throughout the term of the receivership;

(iii) Submit to and pass a criminal background check;

(iv) Provide any financial disclosures requested by the board; and

(v) Disclose any interests the person has in any cannabis licensee(s).

(b) Review and qualification requirements in this subsection only apply to persons or entities actively participating in the management of the receivership and do not apply to spouses of those persons or persons involved in a business entity or fellow members of a business entity that are not actively involved in the management of the receivership.

(c) A receiver placed on the preapproved receiver list maintained by the board must annually update all information and disclosures required under this subsection to remain eligible to act as a receiver and be on the preapproved receiver list. Annual updates must be made one calendar year after the date the receiver is approved.

(5) **Appointing a receiver who is not preapproved by the LCB.**

(a) Within two days of filing of any action to appoint a receiver, a proposed receiver must:

(i) Submit a complete application with the board to serve as receiver for the licensee;

(ii) Be a Washington resident for six months prior to appointment as a receiver and maintain residency throughout the term of the receivership;

(iii) Submit to and pass a criminal background check;

(iv) Provide any financial disclosures requested by the LCB; and

(v) Disclose any interest the proposed receiver has in any cannabis licensee(s).

(b) Review and qualification requirements in this subsection only apply to persons or entities actively participating in the management of the receivership and do not apply to spouses of those persons or persons involved in a business entity or fellow members of a business entity that are not actively involved in the management of the receivership.

(c) If the proposed receiver is denied approval by the board at any time, a substitute receiver may be proposed for board approval. The substitute receiver must provide all information required by this subsection.

(d) If the proposed receiver is not approved by the board at the time the receiver is appointed by the court, the receiver will not be considered compliant with this section, and may be subject to penalty under chapter 69.50 RCW, or as provided in this chapter and may result in the receiver being disqualified to act as a receiver by the board.

(6) Limitations on a person's ability to serve as a receiver.

(a) As operators and controllers of licensed cannabis establishments, receivers are subject to the same limits as licensees or any other person. Those limits include, but are not limited to:

(i) No person serving as a receiver of a licensed cannabis producer or licensed cannabis processor shall have a financial interest in, or simultaneously serve as a receiver for, a licensed cannabis retailer; and

(ii) No person shall serve as a receiver for, or be a true party of interest in, more than five cannabis retail licensees or more than three cannabis producer, processor, or producer/processor licensees at the same time.

(b) If the board determines that a receiver is violating or has violated the restrictions in this subsection, the receiver may be disqualified to act as a receiver by the board.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-137, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-137, filed 10/12/22, effective 11/12/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-137, filed 10/31/18, effective 12/1/18.]

WAC 314-55-140 Death or incapacity of a cannabis licensee. (1)

The appointed guardian, executor, administrator, trustee, or assignee must notify the LCB's licensing and regulation division in the event of the death, incapacity, bankruptcy, or assignment for benefit of creditors of any licensee.

(2) The LCB may give the appointed guardian, executor, administrator, trustee, or assignee written approval to continue cannabis sales on the licensed business premises for the duration of the existing license and to renew the license when it expires.

(a) The person must be a resident of the state of Washington.

(b) A criminal background check may be required.

(3) When the matter is resolved by the court, the true party(ies) of interest must apply for a cannabis license for the business.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-140, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-140, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-140, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-140, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-140, filed 10/21/13, effective 11/21/13.]

WAC 314-55-145 Are cannabis license fees refundable? When a license is suspended or canceled, or the licensed business is discontin-

ued, the unused portion of the cannabis license fee will not be refunded.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-145, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-145, filed 10/21/13, effective 11/21/13.]

WAC 314-55-147 What hours may a cannabis retailer licensee conduct sales? A cannabis retailer licensee may sell usable cannabis, cannabis concentrates, cannabis-infused products, and cannabis paraphernalia between the hours of 8 a.m. and 12 a.m.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-147, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-147, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-147, filed 10/21/13, effective 11/21/13.]

WAC 314-55-150 What are the forms of acceptable identification?

(1) Following are the forms of identification that are acceptable to verify a person's age for the purpose of purchasing cannabis:

(a) Driver's license, instruction permit, or identification card of any state, or province of Canada, from a U.S. territory or the District of Columbia, or "identocard" issued by the Washington state department of licensing per RCW 46.20.117;

(b) United States armed forces identification card issued to active duty, reserve, and retired personnel and the personnel's dependents, which may include an embedded, digital signature in lieu of a visible signature;

(c) Passport;

(d) Merchant Marine identification card issued by the United States Coast Guard; and

(e) Enrollment card issued by the governing authority of a federally recognized Indian tribe located in Washington, if the enrollment card incorporates security features comparable to those implemented by the department of licensing for Washington driver's licenses.

(2) The identification document is not acceptable to verify age if expired.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-150, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-150, filed 10/21/13, effective 11/21/13.]

WAC 314-55-155 Advertising requirements and promotional items—Coupons, giveaways, etc. The following provisions apply in addition to the requirements and restrictions in RCW 69.50.369.

(1) **Advertising generally.** The following requirements apply to all advertising by cannabis licensees in Washington state.

(a) All cannabis advertising and labels of useable cannabis, cannabis concentrates, and cannabis-infused products sold in the state of Washington must not contain any statement, or illustration that:

- (i) Is false or misleading;
- (ii) Promotes over consumption;
- (iii) Represents the use of cannabis has curative or therapeutic effects;
- (iv) Depicts a child or other person under legal age to consume cannabis, or includes:

(A) The use of objects, such as toys, inflatables, movie characters, cartoon characters suggesting the presence of a child, or any other depiction or image designed in any manner to be likely to be appealing to youth or especially appealing to children or other persons under legal age to consume cannabis; or

(B) Is designed in any manner that would be especially appealing to children or other persons under 21 years of age.

(b) No cannabis licensee shall place or maintain, or cause to be placed or maintained, an advertisement of a cannabis business or cannabis product, including cannabis concentrates, useable cannabis, or cannabis-infused product:

(i) In any form or through any medium whatsoever within 1,000 feet of the perimeter of a school grounds, playground, recreation center or facility, child care center, public park, library, or a game arcade admission to which it is not restricted to persons aged 21 years or older unless the 1,000 minimum distance requirement has been reduced by ordinance in the local jurisdiction where the licensed retailer is located and the licensed retailer is located within 1,000 feet of a restricted location listed in this paragraph;

(ii) On or in a private vehicle, public transit vehicle, public transit shelter, bus stop, taxi stand, transportation waiting area, train station, airport, or any similar transit-related location;

(c) All advertising for cannabis businesses or cannabis products, regardless of what medium is used, must contain text stating that cannabis products may be purchased or possessed only by persons 21 years of age or older. Examples of language that conforms to this requirement include, but are not limited to: "21+," "for use by persons 21 and over only," etc.

(d) A cannabis licensee may not engage in advertising or marketing that specifically targets persons residing out of the state of Washington.

(2) **Outdoor advertising.** In addition to the requirements for advertising in subsection (1) of this section, the following restrictions and requirements apply to outdoor advertising by cannabis licensees:

(a) Except for the use of billboards as authorized under RCW 69.50.369 and as provided in this section, licensed cannabis retailers may not display any outdoor signage other than two separate signs identifying the retail outlet by the licensee's business name or trade name, stating the location of the business, and identifying the nature of the business. Both signs must be affixed to a building or permanent structure and each sign is limited to 1,600 square inches.

(i) All text on outdoor signs, including billboards, is limited to text that identifies the retail outlet by the licensee's business or trade name, states the location of the business, and identifies the type or nature of the business.

(ii) No outdoor advertising signs, including billboards, may contain depictions of cannabis plants or cannabis products. Logos or art-

work that do not contain depictions of cannabis plants or cannabis products as defined in this section are permissible.

(A) A depiction of a cannabis plant means an image or visual representation of a cannabis leaf, plant, or the likeness thereof that explicitly suggests or represents a cannabis leaf or plant.

(B) A depiction of a cannabis product means an image or visual representation of useable cannabis, cannabis-infused products, or cannabis concentrates, or an image that indicates the presence of a product, such as smoke, etc.

(iii) Stating the location of the business may include information such as the physical address or location, directional information, website address, email address, or phone number of the licensed business.

(iv) Identifying the nature of the business may include information related to the operation of the business, what the business is engaged in, or the goods the business offers for sale.

(v) Double-sided signs or signs with text visible on opposite sides are permissible and count as a single sign so long as the sign is contained in or affixed to a single structure.

(b) No cannabis licensee may use or employ a commercial mascot outside of, and in proximity to, a licensed cannabis business.

(c) Outdoor advertising is prohibited on signs and placards in arenas, stadiums, shopping malls, fairs that receive state allocations, farmers markets, and video game arcades, whether any of the foregoing are open air or enclosed, but not including any such sign or placard located at an adult only facility.

(d) The restrictions in this section and RCW 69.50.369 do not apply to outdoor advertisements at the site of an event to be held at an adult only facility that is placed at such site during the period the facility or enclosed area constitutes an adult only facility, but must not be placed there more than 14 days before the event, and that does not advertise any cannabis product other than by using a brand name, such as the business or trade name or the product brand, to identify the event. Advertising at adult only facilities must not be visible from outside the adult only facility.

(e) A sign affixed to the licensed premises or in the window of a licensed premises indicating the location is open for business, closed for business, the hours of operation, that the licensed location has an ATM inside, or other similar informational signs not related to the products or services of the cannabis business are not considered advertising for the purposes of this section.

(f) "Adopt-a-Highway" signs erected by the Washington state department of transportation under a current valid sponsorship with the department of transportation are not considered advertising for the purposes of this section.

(3) Advertising placed on windows within the premises of a licensed cannabis retail store facing outward must meet the requirements for outdoor advertising as provided in RCW 69.50.369 and this section.

(4) Promotional items such as giveaways, coupons, and distribution of branded or unbranded merchandise are banned. For the purposes of this section, a "giveaway" does not include representative samples of products (edible products and topicals only) carried by a licensed retailer that are not infused with cannabis and are offered to customers on licensed cannabis retail premises for sampling purposes only.

(5) Cannabis retail licensees holding a medical cannabis endorsement may donate product to qualifying patients or designated providers

who hold a valid recognition card. Retail licensees may not advertise "free" or "donated" product.

(6) Except for outdoor advertising under subsection (2) of this section, all advertising must contain the following warnings that must be in type size at least 10 percent of the largest type used in the advertisement:

(a) "This product has intoxicating effects and may be habit forming.";

(b) "Cannabis can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug.";

(c) "There may be health risks associated with consumption of this product."; and

(d) "For use only by adults 21 and older. Keep out of the reach of children."

(7) For the purposes of this section, the following definitions apply:

(a) "Adult only facility" means:

(i) A location restricted to persons age 21 and older by the LCB or classified by the LCB as off limits to persons under 21 years of age; or

(ii) A venue restricted to persons age 21 and older and where persons under 21 years of age are prohibited from entering or remaining, including employees and volunteers.

(b) "Billboard" means a permanent off-premises sign in a fixed location used, in whole or in part, for the display of off-site commercial messages with a minimum size of five feet in height by 11 feet in width.

(c) "Off-premises sign" means a sign relating, through its message and content, to a business activity, product, or service not available on the premises upon which the sign is erected.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-155, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-155, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-155, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, and 69.50.369. WSR 18-05-001, § 314-55-155, filed 2/7/18, effective 3/10/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-155, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-155, filed 10/21/13, effective 11/21/13.]

WAC 314-55-160 Objections to cannabis license applications. (1) How can persons, cities, counties, tribal governments, or port authorities object to the issuance of a cannabis license? Per RCW 69.50.331, the LCB will notify cities, counties, tribal governments, and port authorities of the following types of cannabis applications. In addition to these entities, any person or group may comment in writing to the LCB regarding an application.

Type of application	Entities the LCB will/may notify
<ul style="list-style-type: none"> Applications for an annual cannabis license at a new location. 	<ul style="list-style-type: none"> Cities and counties in which the premises is located will be notified. Tribal governments and port authorities in which the premises is located may be notified.
<ul style="list-style-type: none"> Applications to change the class of an existing annual cannabis license. 	
<ul style="list-style-type: none"> Changes of ownership at existing licensed premises. 	<ul style="list-style-type: none"> Cities and counties in which the premises is located will be notified. Tribal governments and port authorities in which the premises is located may be notified.

(2) **What will happen if a person or entity objects to a cannabis license application?** When deciding whether to issue or deny a cannabis license application, the LCB will give substantial weight to input from governmental jurisdictions in which the premises is located based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises; and other persons or groups. Note: Per RCW 69.50.331, the LCB shall not issue a new cannabis license if any of the following are within 1,000 feet of the premises to be licensed: Any elementary or secondary schools, playgrounds, recreation centers or facilities, child care centers, public parks, public transit centers, libraries, game arcade where admission is not restricted to persons 21 years of age or older.

(a) If the LCB contemplates issuing a license over the objection of a governmental jurisdiction in which the premises is located, the government subdivision may request an adjudicative hearing under the provisions of the Administrative Procedure Act, chapter 34.05 RCW. If the LCB, in its discretion, grants the governmental jurisdiction(s) an adjudicative hearing, the applicant will be notified and given the opportunity to present evidence at the hearing.

(b) If the LCB denies a cannabis license application based on the objection from a governmental jurisdiction, the applicant(s) may either:

(i) Reapply for the license no sooner than one year from the date on the final order of denial; or

(ii) Submit a written request on a form provided by the LCB for an adjudicative hearing under the provisions of the Administrative Procedure Act, chapter 34.05 RCW. The request must be received within 20 days of the date the intent to deny notification was mailed.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-160, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-160, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and

69.50.345. WSR 16-11-110, § 314-55-160, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-160, filed 10/21/13, effective 11/21/13.]

WAC 314-55-165 Objections to cannabis license renewals. (1) How can local cities, counties, tribal governments, or port authorities object to the renewal of a cannabis license?

(a) The LCB will give governmental jurisdictions approximately 90 days written notice of premises that hold annual cannabis licenses in that jurisdiction that are up for renewal.

(b) Per RCW 69.50.331, if a county, city, tribal government, or port authority wants to object to the renewal of a cannabis license in its jurisdiction, it must submit a letter to the LCB detailing the reason(s) for the objection and a statement of all facts on which the objections are based.

(c) The county, city, tribal government, or port authority may submit a written request to the LCB for an extension for good cause shown.

(d) This letter must be received by the LCB at least 30 days before the cannabis license expires. The objection must state specific reasons and facts that show issuance of the cannabis license at the proposed location or to the applicant business how it will detrimentally impact the safety, health, or welfare of the community.

(e) If the objection is received within 30 days of the expiration date or the licensee has already renewed the license, the objection will be considered as a complaint and possible license revocation may be pursued by the enforcement division.

(f) Objections from the public will be referred to the appropriate city, county, tribal government, or port authority for action under subsection (2) of this section. Upon receipt of the objection, the LCB's licensing and regulation division will acknowledge receipt of the objection(s) and forward to the appropriate city, county, tribal government, or port authority. Such jurisdiction may or may not, based on the public objection, request nonrenewal.

(2) What will happen if a city, county, tribal government, or port authority objects to the renewal of a cannabis license? The LCB will give substantial weight to a city, county, tribal government, or port authority objection to a cannabis license renewal of a premises in its jurisdiction based upon chronic illegal activity associated with the licensee's operation of the premises. Based on the jurisdiction's input and any information in the licensing file, the LCB will decide to either renew the cannabis license, or to pursue nonrenewal.

(a) LCB decides to renew the cannabis license:	(b) LCB decides to pursue nonrenewal of the cannabis license:
(i) The LCB will notify the jurisdiction(s) in writing of its intent to renew the license, stating the reason for this decision.	(i) The LCB will notify the licensee in writing of its intent to not renew the license, stating the reason for this decision.

(a) LCB decides to renew the cannabis license:	(b) LCB decides to pursue nonrenewal of the cannabis license:
(ii) The jurisdiction(s) may contest the renewal and request an adjudicative hearing under the provisions of the Administrative Procedure Act (chapter 34.05 RCW) by submitting a written request on a form provided by the LCB. The request must be received within 20 days of the date the intent to renew notification was mailed. If the LCB, in its discretion, grants the governmental jurisdiction(s) an adjudicative hearing, the applicant will be notified and given the opportunity to present evidence at the hearing.	(ii) The licensee may contest the nonrenewal action and request an adjudicative hearing under the provisions of the Administrative Procedure Act (chapter 34.05 RCW) by submitting a written request on a form provided by the LCB. The request must be received within 20 days of the date the intent to deny notification was mailed. (iii) If the licensee requests a hearing, the governmental jurisdiction will be notified. (iv) During the hearing and any subsequent appeal process, the licensee is issued a temporary operating permit for the cannabis license until a final decision is made.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-165, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-165, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-165, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-165, filed 10/21/13, effective 11/21/13.]

WAC 314-55-185 LCB right to inspect premises or vehicles associated with a license to produce, process, sell, research, or transport cannabis. (1) The following must be available for inspection at all times by an enforcement officer of the LCB:

(a) All licensed premises used in the production, processing, storage, transportation, research, or sale of cannabis, useable cannabis, cannabis concentrates, cannabis-infused products, or any premises or parts of premises used or in any way connected, physically or otherwise, with the licensed business;

(b) Any vehicle assigned for the purpose of transporting cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products at any licensed location, or while en route during transportation;

(c) Records as outlined in this chapter; and

(d) Cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products on the licensed premises for the purpose of analyzing samples (the licensee will be given a receipt for any product removed from the premises for this purpose).

(2) Every person being on a licensed premises or within a transporting vehicle, or having charge thereof, must admit an enforcement

officer of the LCB demanding to enter therein in pursuance of this section in the execution of his/her duty, and must not obstruct or attempt to obstruct the entry of such officer, or refuse to allow an officer to examine the premises, vehicles, records, and products subject to this section of the licensee.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-185, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-185, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-185, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-185, filed 5/18/16, effective 6/18/16.]

WAC 314-55-200 How will the LCB identify cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products during checks of licensed businesses? Officers shall identify cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products during on-site inspections of licensed producers, processors, and retailers of cannabis by means of product in the traceability system, and/or by observation based on training and experience. Products that are undetermined to be cannabis, useable cannabis, and cannabis-infused products will be verified by the following:

- (1) Officers may take a sample large enough for testing purposes;
- (2) Field test kits may be used if available and appropriate for the type of product being verified; and
- (3) Those samples not able to be tested with a field test kit may be tested through the Washington state toxicology or crime lab.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-200, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-200, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-200, filed 5/18/16, effective 6/18/16; WSR 14-07-116, § 314-55-200, filed 3/19/14, effective 4/19/14.]

WAC 314-55-210 Will the LCB seize or confiscate cannabis, cannabis concentrates, useable cannabis, and cannabis-infused products? The LCB may seize, destroy, confiscate, or place an administrative hold on cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products under the following circumstances:

- (1) During an unannounced or announced administrative search or inspection of licensed locations, areas of unlicensed locations used for business or commercial purposes, or vehicles involved in the transportation of cannabis products, where any product was found to be in excess of product limitations set forth in WAC 314-55-075, 314-55-077, and 314-55-079.
- (2) Any product not properly logged in inventory records or untraceable product required to be in the traceability system.
- (3) Cannabis, cannabis concentrates, useable cannabis, and cannabis-infused product that are altered or not properly packaged and labeled in accordance with WAC 314-55-105.

(4) During a criminal investigation, officers shall follow seizure laws detailed in RCW 69.50.505 and any other applicable criminal codes.

(5) The LCB may destroy any cannabis, cannabis concentrate, useable cannabis, and/or cannabis-infused products in its possession that is not identifiable through the Washington cannabis traceability system or otherwise in a form that is not compliant with Washington's cannabis statutes or rules, chapters 69.50 RCW and 314-55 WAC.

(6) LCB officers may order an administrative hold of cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products to prevent destruction of evidence, diversion or other threats to public safety, while permitting a licensee to retain its inventory pending further investigation, pursuant to the following procedure:

(a) If during an investigation or inspection of a licensee, a LCB officer develops reasonable grounds to believe certain cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products constitute evidence of acts in violation of the state laws or rules, or otherwise constitute a threat to public safety, the LCB officer may issue a notice of administrative hold of any such cannabis, useable cannabis, cannabis concentrate, or cannabis-infused products. The notice of administrative hold shall provide a documented description of the cannabis, useable cannabis, cannabis concentrate, or cannabis-infused products to be subject to the administrative hold.

(b) The licensee shall completely and physically segregate the cannabis, useable cannabis, cannabis concentrate, and cannabis-infused products subject to the administrative hold in a limited access area of the licensed premises under investigation, where it shall be safeguarded by the licensee. Pending the outcome of the investigation and any related disciplinary proceeding, the licensee is prohibited from selling, giving away, transferring, transporting, or destroying the cannabis, useable cannabis, cannabis concentrate, and cannabis-infused products subject to the administrative hold.

(c) Nothing herein shall prevent a licensee from the continued cultivation or harvesting of the cannabis subject to the administrative hold. All cannabis, useable cannabis, cannabis concentrate, and cannabis-infused products subject to the administrative hold must be put into separate harvest batches from product not subject to the administrative hold.

(d) Following an investigation, the LCB may lift the administrative hold, order the continuation of the administrative hold, or seek a final agency order for the destruction of the cannabis, useable cannabis, cannabis concentrate, and cannabis-infused products.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-210, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-210, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-210, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-210, filed 5/20/15, effective 6/20/15; WSR 14-07-116, § 314-55-210, filed 3/19/14, effective 4/19/14.]

WAC 314-55-220 What is the process once the LCB summarily orders cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products of a cannabis licensee to be destroyed? (1) The LCB may issue an order to summarily destroy cannabis, useable cannabis, cannabis

concentrates, or cannabis-infused products after the LCB's enforcement division has completed a preliminary staff investigation of the violation and upon a determination that immediate destruction of cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products is necessary for the protection or preservation of the public health, safety, or welfare.

(2) Destruction of any cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products under this provision shall take effect immediately upon personal service on the licensee or employee thereof of the summary destruction order unless otherwise provided in the order.

(3) When a license has been issued a summary destruction order by the LCB, an adjudicative proceeding for the associated violation or other action must be promptly instituted before an administrative law judge assigned by the office of administrative hearings. If a request for an administrative hearing is timely filed by the licensee, then a hearing shall be held within 90 days of the effective date of the summary destruction ordered by the LCB.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-220, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-220, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-220, filed 5/18/16, effective 6/18/16; WSR 14-07-116, § 314-55-220, filed 3/19/14, effective 4/19/14.]

WAC 314-55-225 Cannabis recalls. (1) Definitions. For the purposes of this section, the following definitions apply:

(a) "Affected product" means cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products subject to a recall.

(b) "Affected licensee" means a licensee whose cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products are subject to a recall. More than one licensee may be an affected licensee in a recall.

(2) Exempt market withdrawals.

(a) A licensee may withdraw from the market cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products by its own determination for reasons that do not pose a risk to consumers such as for aesthetic reasons or other similar deficiencies in product or packaging.

(b) If a licensee initiates a market withdrawal for a reason that does not pose a risk to consumers, the licensee must notify the LCB by contacting the local LCB enforcement officer assigned to the local area within 48 hours of beginning the market withdrawal. Licensees withdrawing cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products under this subsection (2), for reasons other than risk to consumers, are exempt from the remaining requirements of this section.

(3)(a) **When a recall is required.** A recall is required when circumstances exist that pose a risk to consumers. Factors that contribute to a determination of a recall situation include, but are not limited to, the following:

(i) Evidence that pesticides not approved by the board are present on or in cannabis, useable cannabis, cannabis concentrates, or

cannabis-infused products above the action levels prescribed by board rule;

(ii) Evidence that residual solvents are present on or in cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products at levels above the action levels prescribed by board rule; or

(iii) Evidence of another condition that poses a risk to consumers including, but not limited to, ingredients in cannabis-infused products that are unfit for human consumption.

(b) Licensee-initiated recalls.

(i) If a licensee initiates a recall due to a condition that poses a risk to consumers and would make a recall appropriate under this subsection (3), the licensee must:

(A) Immediately notify the local LCB enforcement officer; and

(B) Secure, isolate, and prevent the distribution of all cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products that may have been exposed to the condition warranting the recall. The licensee is prohibited from destroying any affected product prior to notifying the LCB and coordinating with the local LCB officer on destruction activities.

(ii) If the LCB determines the licensee fails to engage in recall efforts that meet the urgency of the risk to consumers, the LCB may seek a board-directed recall as provided in this section depending on the circumstances.

(c) LCB investigation-initiated recalls.

(i) If the LCB determines that a recall is not appropriate after an investigation, the LCB enforcement division may release administrative holds placed on cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products as part of the investigation as appropriate, unless an administrative hold is necessary under a continuing investigation.

(ii) If the LCB determines that a recall is appropriate after an investigation, the LCB notifies the board and requests the board issue a recall. If the board issues a recall, the LCB notifies the affected licensee that is the source of the issue giving rise to a recall.

(d) Recall plans. All licensees must develop a recall plan within 60 days of the effective date of this section that sets the procedures the licensee will follow in the event of a recall of the licensee's product or products under the licensee's control. If a licensee becomes an affected licensee as part of a recall and the affected licensee distributed affected product to consumers or to retailers, the affected licensee must immediately notify all licensees that received affected product, and issue a press release and other appropriate public notification to inform consumers of the recall and identifying information about the affected product recalled.

(i) A recall plan must include, at a minimum, the following:

(A) Designation of a member of the licensee's staff who serves as the licensee's recall coordinator;

(B) Procedures for identifying and isolating product to prevent or minimize its distribution to consumers;

(C) Procedures to retrieve and destroy product; and

(D) A communications plan to notify those affected by the recall, including:

(I) How the affected licensee will notify other licensees in possession of product subject to the recall; and

(II) The use of press releases and other appropriate notifications to ensure consumers are notified of the recall and affected

product information if the affected product was distributed to consumers.

(ii) A recall must follow the procedures outlined in the recall plan unless otherwise agreed by the LCB and the licensee. The affected licensee must ensure recall procedures are conducted to maximize recall of affected product and minimize risks to consumers.

(e) **Destruction of affected product.** An affected licensee must coordinate destruction of affected product with the local LCB enforcement officer and allow LCB enforcement to oversee the destruction of affected product recalled to ensure the destruction of affected product that poses risks to consumers.

(f) **Recall reports and audit.** The affected licensee must track the total amount of affected product and the amount of affected product returned to the affected licensee as part of the recall effort. The affected licensee must report to the LCB periodically on the progress of the recall efforts. The periodic reports must occur at a minimum of once a week or as otherwise specified and agreed to by the LCB and the affected licensee in the recall plan.

(g) **Recall closure.** If the LCB determines that the recall efforts are successful and risks to public health and safety are no longer present, the LCB may recommend closure of the recall to the board.

(4) Board-directed recall.

(a) Upon the recommendation by the LCB enforcement division, the board may issue a directed recall if:

(i) The affected licensee does not comply with a recall under subsection (3) of this section;

(ii) The affected licensee does not comply with the recall plan or recall reporting requirements under subsection (3) of this section; or

(iii) The LCB enforcement division determines that affected product may be diverted or is being diverted from the licensed business, or another circumstance that makes the affected licensee's destruction of the product inadvisable or a risk to consumers.

(b) If the board issues a directed recall, the LCB will notify consumers of the recall and all licensees that may possess product affected by the recall if notice has not yet occurred.

(c) Under a directed recall, the LCB enforcement division may seek an order for destruction of the affected product from the board.

(i) If the board issues an order for destruction, the LCB enforcement division may seize and conduct the destruction of affected product.

(ii) An order for destruction will include notice to the licensee and opportunity for hearing before destruction, unless there is evidence of an immediate danger to public health, safety, or welfare to justify an immediate order for destruction, with an opportunity for an expedited hearing after the destruction.

(d) If a destruction order is issued and the LCB seizes product affected by the recall and conducts the destruction of the product, the affected licensee may be responsible for reimbursing the LCB for costs associated with product destruction.

(e) If the board finds that an immediate danger to the public health, safety, or welfare requires immediate LCB action, a licensee may also be subject to summary suspension under RCW 66.08.150(4).

(5) The LCB will maintain a recall web page on its website of all current and closed recalls of record.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-225, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-225, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-16-050, § 314-55-225, filed 7/27/16, effective 8/27/16.]

WAC 314-55-230 What are the procedures the LCB will use to destroy or donate cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products to law enforcement? (1) The LCB may require a cannabis licensee to destroy cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products found in a licensed establishment to be in excess of product limits set forth in WAC 314-55-075, 314-55-077, and 314-55-079.

(2) Destruction of seized cannabis, useable cannabis, cannabis concentrates, cannabis-infused products, or confiscated cannabis after case adjudication, will conform with the LCB evidence policies, to include the option of donating cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products, set for destruction, to local and state law enforcement agencies for training purposes only.

(3) Cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products set for destruction shall not reenter the traceability system or market place.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-230, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-230, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-230, filed 5/18/16, effective 6/18/16; WSR 14-07-116, § 315-55-230 (codified as WAC 314-55-230), filed 3/19/14, effective 4/19/14.]

WAC 314-55-310 Transportation license. (1) A transportation license allows the licensee to physically transport or deliver cannabis, cannabis concentrates, and cannabis-infused products between licensed cannabis businesses within Washington state. The application fee for the transportation license is \$250 and the annual fee is \$1,300.

(2) Applicants for the transportation license must submit the following information:

(a) Personal/criminal history forms for all true parties of interest (see WAC 314-55-035);

The criminal history background check will consist of completion of a personal/criminal history form provided by the LCB and submission of fingerprints to a vendor approved by the LCB. The applicant will be responsible for paying all fees required by the vendor for fingerprinting. These fingerprints will be submitted to the Washington state patrol and the Federal Bureau of Investigation for comparison to their criminal records. The applicant will be responsible for paying all fees required by the Washington state patrol and the Federal Bureau of Investigation.

(b) Documents showing the right to the physical location to be licensed (purchase and sale agreement or lease in the name of the applicant);

(c) Copies of the current UTC common carrier permits. All vehicles and trailers must also be permitted by UTC as common carriers;

(d) Corporate information form or limited liability information form as applicable;

(e) Proof of insurance.

(i) Licensees shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the consumer should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the licensees. Licensees shall furnish evidence in the form of a certificate of insurance satisfactory to the LCB that insurance, in the following kinds and minimum amounts, has been secured. Failure to provide proof of insurance, as required, may result in license cancellation.

(ii) Commercial general liability insurance: The licensee shall at all times carry and maintain commercial general liability insurance and if necessary, commercial umbrella insurance for bodily injury and property damage arising out of licensed activities. This insurance shall cover such claims as may be caused by any act, omission, or negligence of the licensee or its officers, agents, representatives, assigns, or servants. The insurance shall also cover bodily injury, including disease, illness and death, and property damage arising out of the licensee's premises/operations, products, and personal injury. The limits of liability insurance shall not be less than \$1,000,000.

(iii) Insurance carrier rating: The insurance required in (e)(i) of this subsection shall be issued by an insurance company authorized to do business within the state of Washington. Insurance must be placed with a carrier that has a rating of A - Class VII or better in the most recently published edition of *Best's Reports*. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapters 48.15 RCW and 284-15 WAC.

(iv) Additional insured. The state and its employees, agents, and volunteers shall be named as an additional insured on all general liability, umbrella, and excess insurance policies. All policies shall be primary over any other valid and collectable insurance.

(3) **Transport manifest.** A complete printed transport manifest on a form provided by the LCB containing all information required by the LCB must be kept with the product at all times.

(4) **Records of transportation.** Records of all transportation must be kept for a minimum of three years at the licensee's location and are subject to inspection if requested by an employee of the LCB or local law enforcement:

(a) Copies of transportation manifests for all deliveries;

(b) A transportation log documenting the chain of custody for each delivery to include driver(s) and vehicle(s) associated with each delivery;

(c) Bank statements and canceled checks for any accounts relating to the licensed business;

(d) Accounting and tax records related to the licensed business;

(e) Records of all financial transactions related to the licensed business, including invoices, contracts and/or agreements for services performed or received that relate to the licensed business;

(f) All employee records, to include training.

(5) **Transportation of product.** Cannabis or cannabis products that are being transported must meet the following requirements:

(a) Only the transportation licensee or an employee of the transportation licensee who is at least 21 years of age may transport prod-

uct. All drivers must carry a valid Washington driver's license with the proper endorsements when operating a vehicle in the transportation of product. All passengers in the vehicle transporting cannabis or cannabis products must be employees of the transportation licensee who are at least 21 years of age;

(b) Cannabis or cannabis products must be in a sealed package or container approved by the LCB pursuant to WAC 314-55-105;

(c) Sealed packages or containers cannot be opened during transport;

(d) Cannabis or cannabis products must be in a locked, safe and secure storage compartment that is secured to the inside body/compartment of the vehicle transporting the cannabis or cannabis products;

(e) Any vehicle transporting cannabis or cannabis products must be delivered or returned to the shipper within 48 hours from the time of pickup;

(f) Live plants may be transported in a fully enclosed, windowless locked trailer, or in a secured area within the inside body/compartment of a van or box truck. A secured area is defined as an area where solid or locking metal partitions, cages, or high strength shatterproof acrylic can be used to create a secure compartment in the fully enclosed van or box truck. The secure compartment in the fully enclosed van or box truck must be free of windows. Live plants may not be transported in the bed of a pickup truck, a sports utility vehicle, or passenger car.

(6) For purposes of this chapter, any vehicle assigned for the purposes of transporting cannabis, useable cannabis, cannabis concentrates, or cannabis-infused products shall be considered an extension of the licensed premises and subject to inspection by enforcement officers of the LCB. Vehicles assigned for transportation may be stopped and inspected by a LCB enforcement officer at any licensed location, or while en route during transportation.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-310, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-310, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-310, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-310, filed 5/18/16, effective 6/18/16.]

WAC 314-55-410 Cooperatives. (1) A cooperative may be formed by qualifying patients and/or designated providers to share responsibility for growing and processing cannabis only for the medical use of the members of the cooperative. A cooperative must meet the following criteria:

(a) All cooperative members must be at least 21 years of age. The designated provider of a qualifying patient under 21 years of age may be a member of a cooperative on the qualifying patient's behalf;

(b) All cooperative members must hold valid recognition cards as defined by RCW 69.51A.010;

(c) No more than four qualifying patients or designated providers may become members of a cooperative;

(d) Qualifying patients or designated providers may only participate in one cooperative;

(e) A cooperative member may only grow plants in the cooperative and may not grow plants elsewhere;

(f) Cooperative members must participate in growing plants. Cooperative members must provide nonmonetary resources and assistance in order to participate. A monetary contribution or donation is not considered assistance;

(g) Cooperative members may grow up to the total amount of plants for which each cooperative member is authorized on his or her recognition card. At the location, the qualifying patients or designated providers may possess the amount of useable cannabis that can be produced with the number of plants permitted, but no more than 72 ounces;

(h) Cooperative members may not sell, donate, or otherwise provide cannabis, cannabis concentrates, useable cannabis, or other cannabis-infused products to a person who is not a member of the cooperative;

(i) A cooperative may not be located within a one mile radius of a cannabis retailer;

(j) A cooperative must be located at the domicile of one of the cooperative members. Only one cooperative may be located per property tax parcel; and

(k) To obscure public view of the premises, outdoor cannabis production must be enclosed by a sight obscure wall or fence at least eight feet high.

(2) People who wish to form a cooperative must register the location with the LCB. The location registered is the only location where cooperative members may grow or process cannabis. The following is required to register a cooperative:

(a) Submit a completed Cannabis Cooperative Registration Form;

(b) Submit copies of each person's recognition card who is seeking to be part of the registered cooperative;

(c) Submit a deed, lease, rental agreement, or other document establishing ownership or control to the property where the cooperative is to be located. If the property is leased or rented, a sworn statement from the property owner granting permission to engage in a cooperative must also be submitted that includes a telephone number and address where the owner can be contacted for verification;

(d) Submit a sketch outlining the location where the cannabis is planned to be grown.

(3) LCB will contact the primary contact listed for each registered cooperative on an annual basis to ensure validity of recognition cards and to confirm the status, whether active or inactive, of the cooperative. If the LCB finds that the cooperative no longer meets the criteria required under this section, the LCB may not renew the cooperative registration.

(4) LCB may inspect a cooperative between the hours of 8:00 a.m. and 8:00 p.m. unless otherwise agreed upon by cooperative members and LCB staff.

(5) If a person or persons seeking to register the cooperative fails to meet the requirements of a registered cooperative as provided in this section, the LCB will deny the cooperative registration.

(6) If the LCB finds a registered cooperative violated the requirements of this section, the LCB will revoke the cooperative's registration.

(7) A person may request an administrative hearing to contest a denial of registration, nonrenewal, or a revocation of a cooperative's registration under this section as provided in chapter 34.05 RCW.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-410, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-410, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-410, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342, 69.50.345, 2016 c 170, 2016 c 171, and 2016 c 17. WSR 16-19-102, § 314-55-410, filed 9/21/16, effective 10/22/16. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-410, filed 5/18/16, effective 6/18/16.]

WAC 314-55-415 What are the recordkeeping and reporting requirements for cooperatives? (1) Cannabis cooperatives must keep records that clearly reflect all activity, inventory, and conditions of the cooperative. The following records must be kept in a format prescribed by the LCB. All records must be maintained on the cooperative premises for a three-year period and must be made available for inspection if requested by an employee of the LCB, the department of health, the department of revenue, or local law enforcement.

(a) Cooperatives must maintain a plant log to track each cannabis plant from the time it enters the cooperative. At minimum, tracking must include:

(i) Unique plant identification numbers for each plant at the cooperative;

(ii) The date the plant was brought into the cooperative; and

(iii) The date the plant leaves the cooperative, including the reason, (e.g., harvested, destroyed, or member left the cooperative).

(b) Cooperatives must maintain a log to track all harvested plant material from time of harvest until all harvested material has been dispersed. At minimum, tracking must include:

(i) A unique identification number for each harvest;

(ii) The total dry weight of harvested material;

(iii) The date quantities are removed from the harvested material;

(iv) The amount removed from the harvested material;

(v) The reason quantities are removed from the harvested material (e.g., taken for use by qualifying patient, used for extraction, etc.); and

(vi) The current weight of the harvested material.

(c) Cooperatives must maintain a log to track all extracts produced from the time they are produced until all extracted material has been dispersed. At minimum, tracking must include:

(i) A unique identification for the extract batch;

(ii) The date the extract batch was created;

(iii) The total initial weight of the extract batch;

(iv) ID number of the harvest the material used to make the extract came from;

(v) The weight of cannabis plant material used to create the batch;

(vi) The date quantities are removed from the extract batch;

(vii) The quantity removed from the extract batch and reason; and

(viii) The current weight of the extract batch.

(2) Cooperatives must submit monthly activity report(s) to the LCB. The required monthly reports must be:

(a) On an electronic system designated by the LCB;

- (b) Filed every month, including months with no activity;
- (c) Submitted to the LCB on or before the 20th day of each month, for the previous month. (For example, a report listing activity for the month of January is due by February 20th.);
- (d) Filed separately for each cooperative; and
- (e) All records must be maintained and available for review for a three-year period on licensed premises.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-415, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-415, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-415, filed 5/18/16, effective 6/18/16.]

WAC 314-55-417 Sales of immature plants or clones and seeds from licensed producers to members of cooperatives, qualifying patients, and designated providers. This section details the requirements for sales of immature plants or clones and seeds by licensed producers to members of a registered cooperative, qualifying patients, and designated providers.

(1) Medical cannabis patients who enter into the medical cannabis authorization database established and maintained by the department of health, receive a recognition card, and are members of a cooperative that has been granted a registration by the Washington state liquor and cannabis board (LCB) may purchase immature plants or clones and seeds to be grown in the cooperative from a licensed cannabis producer.

(2) Qualifying patients and designated providers who hold a valid unexpired recognition card and have been entered into the medical cannabis authorization database established and maintained by the department of health, may purchase immature plants or clones and seeds from a licensed cannabis producer.

(3) Members of a registered cooperative, qualifying patients, and designated providers who wish to purchase immature plants or clones and seeds from a licensed producer must:

(a) Personally go to the licensed producer to complete the purchase and transfer of any cannabis plants purchased; and

(b) Provide the following information to a licensed producer:

(i) Proof of identification in the form of a state-issued identification card or other valid government-issued identification;

(ii) A valid recognition card; and

(iii) If the person purchasing immature plants or clones or seeds is a member of a registered cooperative, a copy of the letter from the LCB confirming the person is a member of a registered cooperative.

(4) The physical transfer of cannabis plants between licensed producers and members of a cooperative, qualifying patients, or designated providers must take place on the premises of the licensed producer. Deliveries of cannabis plants by a licensed producer to members of a cooperative, qualifying patients, or designated providers are prohibited.

(5) Members of registered cooperatives, qualifying patients, and designated providers are limited to purchasing no more than the maximum amount that the medical cannabis patient's authorization form allows of any combination of immature plants or clones and seeds in a single sale or cumulative sales within a calendar month from a li-

censed producer. It is the responsibility of the member of the registered cooperative, qualifying patient, or designated provider to ensure that they possess no more than the maximum number of plants allowed under their authorization forms and as provided in chapter 69.51A RCW.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-417, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-417, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-417, filed 10/31/18, effective 12/1/18.]

WAC 314-55-430 Qualifying patient or designated provider extraction requirements. (1) Qualifying patients or designated providers, including those participating in a cooperative, may extract or separate the resin from cannabis using only the following noncombustible methods:

(a) Heat, screens, presses, steam distillation, ice water, and other methods without employing combustible solvents or gases to create kief, hashish, or bubble hash;

(b) Dairy butter, cooking oils or fats derived from natural sources, or other home cooking substances;

(c) Food grade glycerin and propylene glycol solvent based extraction;

(d) CO₂ may be used if used in a closed loop system as referenced in WAC 314-55-104.

(2) Only food grade substances may be used in any stage of processing.

(3) Use of combustible materials including, but not limited to, butane, isobutane, propane, heptane, and ethanol is expressly forbidden.

(4) Resins extracted or separated from cannabis are for the personal use of the qualifying patient or cooperative members only.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-430, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-430, filed 5/18/16, effective 6/18/16.]

WAC 314-55-502 Notice of correction. (1) The board may issue a notice of correction to a licensee during a nontechnical assistance inspection or visit as described in this chapter if the board becomes aware of conditions that are not in compliance with chapters 69.50 and 69.51A RCW, and this chapter.

(2) The notice of correction must include and clearly state:

(a) A detailed description of the noncompliant condition;

(b) The text of the specific section or subsection of the applicable rule;

(c) A statement of what is required to achieve compliance;

(d) The date by which the board requires compliance to be achieved;

(e) Notice of the means to contact any technical assistance services provided by the board or others; and

(f) Notice of when, where, and to whom a request to extend the time to achieve compliance for good cause may be filed with the board.

(3) A notice of correction is not a formal enforcement action, is not subject to appeal, and is a public record.

(4) If the licensee does not comply with the notice of correction, the board may issue an administrative violation notice consistent with WAC 314-55-505 for the violations identified in the notice of correction.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-502, filed 1/22/20, effective 2/22/20.]

WAC 314-55-505 Administrative violation notice. (1) The board may issue an administrative violation notice without issuing a notice of correction if:

(a) The licensee is not in compliance with chapters 69.50 and 69.51A RCW, this chapter, or both, and the noncompliance poses a direct or immediate threat to public health and safety;

(b) The licensee has previously been subject to an enforcement action or written notice for a violation of the same statute or rule within the same penalty category, the notice of correction for the violation has already been issued, the licensee failed to timely comply with the notice, and such notice is not subject to a pending request to the board to extend the time to achieve compliance; or

(c) The licensee has failed to respond to prior administrative violation notices or has outstanding unpaid monetary penalties; and

(d) The board can prove by a preponderance of the evidence:

(i) Diversion of cannabis product out of the regulated market or sales across state lines;

(ii) Furnishing of cannabis product to persons under 21 years of age;

(iii) Diversion of revenue to criminal enterprises, gangs, cartels, or parties not qualified to hold a cannabis license based on criminal history requirements;

(iv) The commission of noncannabis-related crimes; or

(v) Knowingly making a misrepresentation of fact to the board, an officer of the board, or an employee of the board related to conduct or action that is, or is alleged to be, any of the violations identified in (d)(i) through (iv) of this subsection.

(2) The board will prepare an administrative violation notice and mail or deliver the notice to the licensee, licensee's agent, or employee.

(3) The administrative violation notice will include:

(a) A detailed description of the alleged violation(s);

(b) The date(s) of the violation(s);

(c) The text of the specific section or subsection of rule;

(d) An outline of the licensee's resolution options as outlined in WAC 314-55-5055; and

(e) The recommended penalty as described in this chapter, and including a description of known mitigating and aggravating circumstances considered in the penalty determination.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-505, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-505, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW

69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-505, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-505, filed 10/21/13, effective 11/21/13.]

WAC 314-55-5055 Resolution options. (1) A licensee must respond to an administrative violation notice within 20 calendar days from receipt of the notice. The response must be submitted on a form provided by the board. The licensee may:

(a) Accept the recommended penalty identified in the administrative violation notice;

(b) Request a settlement conference in writing;

(c) Request an administrative hearing in writing.

(2) (a) If a licensee does not respond to an administrative violation notice within 20 calendar days of receipt of the notice, recommended penalties including, but not limited to, suspension, monetary penalties, and destruction of inventory may take effect on the 21st day.

(b) If the recommended penalty is monetary and does not include a suspension, inventory destruction, or both, the licensee must pay a 25 percent late fee in addition to the recommended monetary penalty.

(i) The board must receive payment of the monetary penalty and 25 percent late fee no later than 30 days after the administrative violation notice receipt date.

(ii) Payments received more than 30 days after the administrative violation notice receipt date are subject to an additional 25 percent late fee.

(iii) Licensees who do not respond to an administrative violation notice will not be eligible to renew their cannabis license.

(3) Licensees who do not pay monetary penalties for two or more administrative violation notices in a two-year period will not be eligible to renew their cannabis license.

(4) A licensee may request a settlement conference to discuss the board's issuance of an administrative violation notice issued under this chapter. The hearing officer or designee of the board will arrange the date, time, and place of the settlement conference. A settlement agreement provides that the licensee accepts the allegations contained in the administrative violation notice.

(a) The purpose of the settlement conference is to:

(i) Discuss the circumstances associated with the alleged violation(s), including aggravating or mitigating factors;

(ii) Discuss the recommended penalties; and

(iii) Attempt to reach agreement on the appropriate penalty and corrective action plan for the administrative violation notice.

(b) During a settlement conference, a licensee issued an administrative violation notice may request deferral of an administrative violation notice if all of the following criteria are met:

(i) The alleged violation is the first violation in a violation category;

(ii) The licensee has no other violation history in that penalty category within a two-year window; and

(iii) The licensee submits a plan to correct, remedy, or satisfy identified violations as described in the administrative violation notice including, but not limited to, monetary penalties.

(c) If the licensee is not issued any administrative violation notices or any other notice of noncompliance during the year following

approval of the deferral of administrative violation, the record of administrative violation notice will not be considered for licensing renewal or penalty escalation.

(d) If the licensee is issued an administrative violation notice or any other notice of noncompliance at any time during the year following approval of the deferral of administrative violation, the record of the administrative violation notice will remain on the licensee's licensing history, and the original sanction for the deferred violation will be implemented based on the frame established in the settlement agreement, or 10 days from the date of default.

(5) The hearing officer or designee will prepare a settlement agreement. The agreement must:

(a) Include the terms of the agreement regarding an alleged violation or violations by the licensee of chapters 69.50 and 69.51A RCW, any part of chapter 314-55 WAC, and any related penalty or licensing restriction; and

(b) Be in writing and signed by the licensee or the licensee's designee and the hearing officer or designee.

(6) If a settlement agreement is entered between a licensee and a hearing officer or designee of the board at or after a settlement conference, the terms of the settlement agreement must be given substantial weight by the board.

(7) The hearing officer or designee will forward the settlement agreement to the board or designee for final approval. If the board, or designee approves the settlement agreement, a copy of the signed agreement will be sent to the licensee, and will become part of the licensing history, unless otherwise specified in this chapter.

(8) If the board, or designee, does not approve the settlement agreement, the licensee will be notified of the decision in writing. The licensee may:

(a) Renegotiate the settlement agreement with the hearing officer or designee; or

(b) Accept the originally recommended penalty; or

(c) Request a hearing on the administrative issues identified in the administrative violation notice.

(9) Monetary penalty collection. If monetary penalties are assessed as part of an administrative violation, settlement agreement, or both, licensees must submit payment to the board in a time frame established by the board, consistent with subsection (2)(a) and (b) of this section.

(a) If a licensee does not timely submit payment of any monetary fine, the board will begin collection or other appropriate action.

(b) The board will provide a notice of collection action to the licensee. The notice of collection action establishes the licensee as a debtor for purposes of debt collection.

(c) If the licensee does not respond to the notice of collection within 30 days, the board may:

(i) Assess a 25 percent late fee consistent with subsection (2)(a) of this section; and

(ii) Assign the debt to a collection agency.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-5055, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-5055, filed 1/22/20, effective 2/22/20.]

WAC 314-55-506 Summary license suspension. (1) The board may summarily suspend any license after the board's enforcement division has:

(a) Completed a preliminary staff investigation of the violation; and

(b) Upon a determination that immediate cessation of the licensed activities is necessary for the protection or preservation of the public health, safety, or welfare.

(2) Suspension of any license under this section is effective immediately upon personal service of the summary suspension order on the licensee or employee thereof.

(3) When a license has been summarily suspended by the board, an adjudicative proceeding for revocation or other action must be promptly instituted before an administrative law judge assigned by the office of administrative hearings. If a request for an administrative hearing is timely filed by the licensee or permit holder, then a hearing will be held within ninety calendar days of the effective date of the summary suspension ordered by the board. The ninety-day period may be extended for good cause.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-506, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-506, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-506, filed 10/21/13, effective 11/21/13.]

WAC 314-55-507 Petition for stay. (1) When the board summarily suspends a license under WAC 314-55-506, an affected licensee may petition the board for a stay of suspension. A petition for a stay of suspension must be received by the board within ten calendar days of service of the summary suspension order on the licensee. The petition for stay must clearly describe the basis for the stay.

(2) A hearing will be held before an administrative law judge within fourteen calendar days of receipt of a timely petition for stay. The hearing is limited to consideration of whether a stay should be granted, or whether the terms of the suspension will be modified to allow the conduct of limited activities under current licenses.

(3) A hearing conducted under subsection (2) of this section will be a brief adjudicative proceeding under RCW 34.05.485. The agency record for the hearing must consist of the documentary information upon which the summary suspension was based. The licensee is permitted to supplement the record with additional documentation during the brief adjudicative proceeding. The licensee must demonstrate by clear and convincing evidence that:

(a) The licensee is likely to prevail upon the merits at hearing;

(b) Without relief, the licensee will suffer irreparable injury. For purposes of this section, income alone from licensed activities is not deemed irreparable injury;

(c) The grant of relief will not substantially harm other parties to the proceedings; and

(d) The threat to the public health, safety, or welfare is not sufficiently serious to justify continuation of the suspension, or that modification of the terms of the suspension will adequately protect the public interest.

(4) The initial order on stay is effective immediately upon service unless another date is specified in the order.

[Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-507, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-507, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-507, filed 10/21/13, effective 11/21/13.]

WAC 314-55-508 Review of orders on stay. (1) The licensee, or agency, may petition the LCB for review of an initial order on stay. Any petition for review must be in writing and received by the LCB within 10 days of service of the initial order. If neither party has requested review within 10 days of service, the initial order shall be deemed the final order of the LCB for purposes of RCW 34.05.467.

(2) If the LCB receives a timely petition for review, the LCB shall consider the petition within 15 days of service of the petition for review. Consideration on review shall be limited to the record of the hearing on stay.

(3) The order of the LCB on the petition for review shall be effective upon personal service unless another date is specified in the order and is final pursuant to RCW 34.05.467. Final disposition of the petition for stay shall not affect subsequent administrative proceedings for suspension or revocation of a license.

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-508, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-508, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-508, filed 10/21/13, effective 11/21/13.]

WAC 314-55-509 Penalty structure. (1) The board determines if a penalty will be imposed. Penalties are based on the severity of the violation in the following categories:

(a) Category I: Violations of a severity that would make a license eligible for cancellation on a first offense;

(b) Category II: Violations that create a direct or immediate threat to public health, safety, or both;

(c) Category III: Violations that create a potential threat to public health, safety, or both;

(d) Category IV: Significant regulatory violations;

(e) Category V: Procedural and operational violations;

(f) Category VI: Statutory violations.

(2) For purposes of assessing penalties, only violations occurring in the two-year time period immediately preceding the date of the violation will be considered unless otherwise provided in this chapter.

(3) The board may, at its discretion, deviate from the prescribed penalties herein. Such deviations will be determined on a case-by-case basis, considering mitigating and aggravating factors.

(a) Mitigating factors may result in a waiving or lowering of fines, civil penalties, imposition of a fine in lieu of suspension, or fewer days of suspension. Mitigating factors may include demonstrated

business policies and practices that may reduce risk to public health and safety.

(b) Aggravating factors may result in increased days of suspension, increased monetary penalties, cancellation, or nonrenewal of a cannabis license. Aggravating factors may include obstructing an investigation, business operations, behaviors, or both, that increase risk to public health and safety.

(4) For violations that occurred before the effective date of these rules, enforcement action will be based on the rules that were in effect on the date the violation occurred. Subsection (2) of this section shall apply to all enforcement actions regardless of the date the violation occurred.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-509, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-509, filed 1/22/20, effective 2/22/20.]

WAC 314-55-520 Category I. Violations of a severity that would make a license eligible for cancellation on a first offense. The board may not cancel a license for a single violation, unless it can prove a Category I violation by a preponderance of the evidence.

Category I

Violations of a Severity That Would Make a License Eligible for Cancellation on the First Offense

Violation Type	1st Violation	2nd Violation in a Two-year Window
Cannabis purchased from an unlicensed entity. WAC 314-55-083(4)	License cancellation	
Cannabis sold to an unlicensed, nonretail source. Illegal sales out of the licensed market place. WAC 314-55-083(4)	License cancellation	
Condition of suspension violation: Failure to follow any suspension restriction while cannabis license is suspended. WAC 314-55-540	Original penalty plus 10-day suspension with no monetary option	License cancellation
Transportation or storage of cannabis to or from an unlicensed source, diversion of product, or both. WAC 314-55-083(4)	License cancellation	
Transportation of cannabis outside of Washington state boundaries. RCW 69.50.342 (1)(k) RCW 69.50.345(10) WAC 314-55-310(1)	License cancellation	
True party of interest (TPI). Allowing a person to exercise ownership or control if the person would not have qualified based on affiliation with a criminal enterprise as described in chapter 69.50 RCW. WAC 314-55-035(1)	License cancellation	
Financier. Receiving money from a financier that was not disclosed to or approved by the board when the financier has a criminal history demonstrating an affiliation with criminal enterprises, gangs, or cartels; or the money provided by a financier originated from criminal enterprises, gangs, or cartels. WAC 314-55-035(4)	License cancellation	

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-520, filed 7/6/22, effective 8/6/22. Statutory Au-

thority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-520, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-520, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-520, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-520, filed 10/21/13, effective 11/21/13.]

WAC 314-55-521 Category II. Violations that create a direct or immediate threat to public health, safety, or both.

Category II
Violations That Create a Direct or Immediate Threat to Public Health, Safety, or Both

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Furnishing to persons under twenty-one years of age, except as allowed in RCW 60.50.357. RCW 69.50.354 WAC 314-55-079(1)	5-day suspension or \$1,250 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension	License cancellation
Conduct violations: Criminal conduct: Permitting or engaging in criminal conduct, or both. Disorderly conduct, or apparent intoxication of a licensee or employee, or permitting on premises. Title 9 RCW Title 9A RCW WAC 314-55-110 (4)(b)	5-day suspension or \$1,250 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension	License cancellation
Operating an unapproved CO² or hydrocarbon extraction system. WAC 314-55-104	\$10,000 monetary fine	License cancellation		
Intentional use of unauthorized pesticides, soil amendments, fertilizers, other crop production aids. RCW 69.50.342 WAC 314-55-084	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine and destruction of affected cannabis	Tier 1: \$7,500 Tier 2: \$15,000 Tier 3: \$22,500 monetary fine and destruction of affected cannabis	License cancellation	
Adulterated useable cannabis with organic or nonorganic chemical or other compound. WAC 314-55-077 (5)(b) WAC 314-55-101	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine and destruction of affected cannabis	Tier 1: \$7,500 Tier 2: \$15,000 Tier 3: \$22,500 monetary fine and destruction of affected cannabis	License cancellation	

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Transportation of cannabis without a manifest. WAC 314-55-085(3) WAC 314-55-096 (1) and (2) WAC 314-55-105(2) WAC 314-55-310(3)	Retail/transporter: \$1,250 monetary fine Producer/processor: Tier 1: \$1,250 Tier 2: \$2,500 Tier 3: \$5,000 monetary fine	Retail/transporter: 5-day suspension or \$2,500 monetary option Producer/processor: Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$10,000 monetary fine	License cancellation	
Obstruction: Misrepresentation of fact; not permitting physical presence. WAC 314-55-185	10-day suspension or \$7,500 monetary option	30-day suspension	License cancellation	
Failure to use and maintain traceability, or both: Including, but not limited to, failure to maintain records for flowering plant, finished product, any post-harvest product, any plant not on approved floor-plan, or not tagged, reusing identifier. WAC 314-55-083(4)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary fine	10-day suspension or \$5,000 monetary fine	License cancellation
Pickup, unload, or delivery at an unauthorized location. WAC 314-55-085 (5)(f) WAC 314-55-310	Retail/transportation: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine	Retail/transporter: 60-day suspension Producer/processor: Tier 1: \$20,000 Tier 2: \$40,000 Tier 3: \$60,000 monetary fine	License cancellation	

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-521, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-521, filed 1/22/20, effective 2/22/20.]

WAC 314-55-522 Category III. Violations that create a potential threat to public health, safety, or both.

Category III
Violations That Create a Potential Threat to Public Health, Safety, or Both

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Driver transporting without a valid driver's license. WAC 314-55-310 (5)(a)	5-day suspension or \$1,250 monetary option	10-day suspension	30-day suspension	License cancellation

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Exceeding maximum serving requirements for cannabis-infused products. WAC 314-55-095 (1)(a) and (b) Exceeding transaction limits. WAC 314-55-095 (2)(c)	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	License cancellation
Failure to follow and maintain food processing facility requirements. RCW 69.50.342 (1)(a) and (c) WAC 314-55-077 (4)(b) WAC 246-70-070 (1) and (2)	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Failure to maintain required surveillance system. WAC 314-55-083(3)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option
Retail sales: Unauthorized cannabis-infused products. WAC 314-55-077 (9)(a) and (b)	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 option	30-day suspension
True party of interest: Allowing a person to exercise ownership or control who has not been disclosed to the board, and would have failed for any reason. WAC 314-55-035	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine	Retail/transporter: 60-day suspension Producer/processor: Tier 1: \$20,000 Tier 2: \$40,000 Tier 3: \$60,000 monetary fine
Financier. Receiving money from a financier that was not disclosed to or approved by the board when the financier or the source of funds would not have qualified for any reason. WAC 314-55-035	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine	Retail/transporter: 60-day suspension Producer/processor: Tier 1: \$20,000 Tier 2: \$40,000 Tier 3: \$60,000 monetary fine
Obstruction: Failure to furnish records. WAC 314-55-185 (1)(c)	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	30-day suspension	60-day suspension
Failure to use traceability, maintain traceability, or both for quality assurance testing, including pesticide testing, potency testing, or both. WAC 314-55-083 (4)(k)	\$1,250 monetary fine	\$2,500 monetary fine	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option
Noncompliance with cannabis processor extraction requirements. WAC 314-55-104	\$1,250 monetary fine	\$2,500 monetary fine	\$7,500 monetary fine	\$15,000 monetary fine

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Sales in excess of transaction limits. WAC 314-55-095 (2)(c)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-522, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-522, filed 1/22/20, effective 2/22/20.]

WAC 314-55-523 Category IV. Violations that are significant regulatory violations.

**Category IV
Significant Regulatory Violations**

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Noncompliance with record keeping requirements. WAC 314-55-087	\$500 monetary fine	5-day suspension or \$1,250 monetary fine	10-day suspension or \$2,500 monetary option	30-day suspension or \$7,500 monetary option
Cannabis illegally given away, including being sold below the cost of acquisition, true value, or both. WAC 314-55-017(3) WAC 314-55-018 (2)(f) WAC 314-55-018(5) WAC 314-55-077 (11)(b)	\$500 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option
Retail sales: Use of an unauthorized money transmitter. WAC 314-55-115(5)	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 monetary option	30-day suspension or \$7,500 monetary option
Misuse or unauthorized use of cannabis license (operating outside of license class). RCW 69.50.325	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	30-day suspension or \$10,000 monetary option	60-day suspension or \$20,000 monetary option
Selling or purchasing cannabis on credit. WAC 314-55-018 WAC 314-55-115	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	30-day suspension or \$10,000 monetary option	60-day suspension or \$20,000 monetary option
Engaging in nonretail conditional sales, prohibited practices, or both. WAC 314-55-017(1) WAC 314-55-018	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option
Operating/floor plan: Violations of a LCB approved operating plan. WAC 314-55-020 (11)(a)	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 monetary option	30-day suspension or \$7,500 monetary option

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Failure to maintain required insurance. WAC 314-55-082 WAC 314-55-310	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$7,500 monetary option	30-day suspension or \$15,000 monetary option
Unauthorized sale to a retail licensee (processor). RCW 69.50.360 RCW 69.50.363 WAC 314-55-077 WAC 314-55-083(4)	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$10,000 monetary fine	Tier 1: \$7,500 Tier 2: \$15,000 Tier 3: \$30,000 monetary fine	Tier 1: \$15,000 Tier 2: \$30,000 Tier 3: \$60,000 monetary fine
Packaging and labeling. WAC 314-55-105	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 monetary option	30-day suspension or \$7,500 monetary option
Unauthorized or unapproved product storage or delivery (processor/producer). WAC 314-55-085(5)	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Unauthorized or unapproved product storage or delivery (transporter). WAC 314-55-310 (5)(d)	\$1,250 monetary fine	\$2,500 monetary fine	\$5,000 monetary fine	\$10,000 monetary fine
Failure to meet cannabis waste disposal requirements. WAC 314-55-097	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Sampling violations (processors/producers: Vendor, educational, and internal quality control samples). WAC 314-55-096	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Sampling violations (retail). WAC 314-55-096(5) WAC 314-55-096(6)	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Failure to maintain required security alarm. WAC 314-55-083(2)	\$1,250 monetary fine	\$2,500 monetary fine	\$5,000 monetary fine	\$10,000 monetary fine

[Statutory Authority: RCW 66.08.030 and 2015 c 70. WSR 24-16-064, § 314-55-523, filed 7/31/24, effective 8/31/24. Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-523, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-523, filed 1/22/20, effective 2/22/20.]

WAC 314-55-524 Category V. Violations that are procedural and operational.

Category V
Procedural and Operation Violations

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Hours of service: Sales of cannabis between 8:00 a.m. and 12:00 a.m. WAC 314-55-147	\$500 monetary fine	5-day suspension or \$1,250 monetary fine	10-day suspension or \$2,500 monetary option	30-day suspension
General advertising violations. RCW 69.50.369 WAC 314-55-155	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	30-day suspension or \$10,000 monetary option
Engaging in conditional sales. WAC 314-55-017(2)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	30-day suspension or \$10,000 monetary option
Licensee, employee, or both failing to display identification badge. WAC 314-55-083(1)	\$250 monetary fine	5-day suspension or \$500 monetary option	10-day suspension or \$1,250 monetary option	30-day suspension or \$2,500 monetary option
Failure to post required signs. WAC 314-55-086	\$250 monetary fine	5-day suspension or \$500 monetary option	10-day suspension or \$1,250 monetary option	30-day suspension or \$2,500 monetary option
Unauthorized change of business name. WAC 314-55-130	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 monetary option	30-day suspension or \$5,000 monetary option
Transporting cannabis in an unauthorized vehicle. WAC 314-55-085(5) WAC 314-55-310	\$1,250 monetary fine	Retail/transporter: 5-day suspension or \$2,500 monetary option Producer/processor: Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Retail/transporter: 10-day suspension Producer/processor: Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Exceeding maximum delivery time frame. WAC 314-55-085 WAC 314-55-083 (4)(d)	\$1,250 monetary fine	Retail/transporter: 5-day suspension or \$2,500 monetary option Producer/processor: Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Retailer/Transporter: 10-day suspension Producer/processor: Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Failure to maintain standardized scale requirements (producer/processor). WAC 314-55-099	\$1,250 monetary fine	Tier 1: \$2,500 Tier 2: \$5,000 Tier 3: \$7,500 monetary fine	Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$15,000 monetary fine	Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Unauthorized driver or passenger. WAC 314-55-310 (5)(a)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension	30-day suspension
Transportation of cannabis without an accurate manifest. WAC 314-55-085(3) WAC 314-55-310(3)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension	30-day suspension
Load exceeding maximum delivery amount. RCW 69.50.385(3) WAC 314-55-083 (4)(d) WAC 314-55-085(1)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	10-day suspension	30-day suspension

Violation Type	1st Violation	2nd Violation in a Two-year Window	3rd Violation in a Two-year Window	4th Violation in a Two-year Window
Retail sales: Accepting returns. WAC 314-55-079(12)	\$500 monetary fine	5-day suspension or \$1,250 monetary option	10-day suspension or \$2,500 monetary option	30-day suspension
Failure to use traceability, maintain traceability, or both. (e.g., failure to comply with traceability requirements for clones, seeds; illegal or folded tags; movement within a location) WAC 314-55-083(4)	5-day suspension or \$2,500 monetary option	10-day suspension or \$5,000 monetary option	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine	Retail/transporter: 60-day suspension Producer/processor: Tier 1: \$20,000 Tier 2: \$40,000 Tier 3: \$60,000 monetary fine
True party of interest (TPI): Allowing a person not disclosed to the board who would have qualified to exercise ownership or control, or allowing a TPI previously approved by the board to provide funds without disclosure. WAC 314-55-035(XX)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	Retail/transporter: 10-day suspension or \$5,000 monetary option Producer/Processor: Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$20,000 monetary fine	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine
Financier. Receiving money from a financier previously approved by the board that was not timely disclosed to the board or that was timely disclosed to the board but the source could not be verified. WAC 314-55-035(XX)	\$1,250 monetary fine	5-day suspension or \$2,500 monetary option	Retail/transporter: 10-day suspension or \$5,000 monetary option Producer/Processor: Tier 1: \$5,000 Tier 2: \$10,000 Tier 3: \$20,000 monetary fine	Retail/transporter: 30-day suspension Producer/processor: Tier 1: \$10,000 Tier 2: \$20,000 Tier 3: \$30,000 monetary fine

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-524, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-524, filed 1/22/20, effective 2/22/20.]

WAC 314-55-525 Category VI. Statutory penalty violations.

**Category VI
Statutory Penalty Violations**

Allowing a minor to frequent a retail store. RCW 69.50.357(2)	\$1,000 monetary fine
Allowing persons under twenty-one years of age to frequent a retail licensed premises. RCW 69.50.357	\$1,000 monetary fine
Employee under legal age. RCW 69.50.357(2)	\$1,000 monetary fine

Opening or consuming cannabis on a licensed retail premises, or both. RCW 69.50.357(4)	\$1,000 monetary fine
Retail outlet selling unauthorized products. RCW 69.50.357 (1)(a)	\$1,000 monetary fine

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-525, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-525, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.325, 69.50.342, 69.50.345, and 69.50.369. WSR 18-22-055, § 314-55-525, filed 10/31/18, effective 12/1/18. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-525, filed 5/18/16, effective 6/18/16; WSR 15-11-107, § 314-55-525, filed 5/20/15, effective 6/20/15. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-525, filed 10/21/13, effective 11/21/13.]

WAC 314-55-540 Cannabis license suspensions. (1) On the effective date of a cannabis license suspension, a board enforcement officer will post a suspension notice in a conspicuous place on or about the licensed premises. This notice will state that the license has been suspended by order of the board based on a violation of applicable law or rule.

(2) During the period of cannabis license suspension, the licensee and employees:

(a) Are required to comply with all applicable laws and rules;

(b) May not remove, alter, or cover the posted suspension notice, and may not permit another person to do so;

(c) May not place or permit the placement of any statement on the licensed premises indicating that the premises have been closed for any reason other than as stated in the suspension notice;

(d) May not advertise by any means that the licensed premises is closed for any reason other than as stated in the board's suspension notice.

(3) During the period of cannabis license suspension a cannabis licensee:

(a) May not operate their business.

(b) May not sell, deliver, service, destroy, remove, or receive cannabis.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-540, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342, 69.50.345, and 2019 c 394. WSR 20-03-177, § 314-55-540, filed 1/22/20, effective 2/22/20. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 16-11-110, § 314-55-540, filed 5/18/16, effective 6/18/16. Statutory Authority: RCW 69.50.325, 69.50.331, 69.50.342, 69.50.345. WSR 13-21-104, § 314-55-540, filed 10/21/13, effective 11/21/13.]

WAC 314-55-550 Cannabis vapor products. (1) The purpose of this section is to:

(a) Support and further the protection of public health and prevention of youth access consistent with RCW 69.50.101(xx).

(b) Mitigate the risks to public health and youth access by prohibiting the use of any additive, solvent, ingredient, or compound in cannabis vapor product production and processing when appropriate, consistent with RCW 69.50.342 (1)(m).

(c) Mitigate the risks to public health and youth access by prohibiting any device used in conjunction with a cannabis vapor product when appropriate, consistent with RCW 69.50.342 (1)(n).

(2) Procedure for prohibited substances.

(a) The board may prohibit any type of device used in conjunction with a cannabis vapor product, and may prohibit the use of any type of additive, solvent, ingredient, or compound in the production of cannabis vapor products that may pose a risk to public health or youth access.

(b) The board may consider, following consultation with the department of health or other authority the board deems appropriate, any relevant data when determining whether a device, additive, solvent, ingredient or compound may pose a risk to public health or youth access including, but not limited to:

(i) Case report data;

(ii) Other local, state and federal agency findings, reports, etc.;

(iii) A product or substance that is the subject of a recall under WAC 314-55-225;

(iv) Any other information sourced and confirmed from reliable entities.

(c) The board may prohibit the use of a product or substance by adoption of emergency or permanent rules. The board will provide notices of rule making consistent with the requirements of chapter 34.05 RCW.

(d) The board will maintain a list of prohibited substances prohibited by permanent or emergency rules on its website.

(e) The list of prohibited substances will be reviewed on an annual basis.

(f) Prohibited substances may be removed from the list of prohibited substances if the board determines, after a review consistent with (b)(i) through (iv) of this subsection, that it no longer poses a risk to public health or youth access.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-550, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 and 69.50.345. WSR 21-05-075, § 314-55-550, filed 2/17/21, effective 3/20/21.]

WAC 314-55-560 Evaluation of additives, solvents, ingredients or compounds used in the production of cannabis products. (1) **Purpose and scope.** The purpose of this section is to establish a procedure for the board to evaluate additives, solvents, ingredients or compounds used in the production of cannabis products, as those products are defined in chapter 69.50 RCW.

(2) **Definitions.** For purposes of this chapter, the following definitions apply unless the context clearly states otherwise:

(a) "Additive" means any substance the use of which results or may reasonably be expected to result, directly or indirectly, in its

becoming a component or otherwise affecting the characteristics of any cannabis product;

(b) "Compound" means a chemical substance composed from more than one separate chemical element;

(c) "Ingredient" means something that enters into a mixture or is a component part of any combination or mixture;

(d) "Noncannabis additive" means a substance or a group of substances that are derived from a source other than cannabis.

(i) "Noncannabis additive" includes, but is not limited to, purified compounds, essential oils, oleoresins, essences, or extractives, protein hydrolysates, distillates, or isolates;

(ii) "Noncannabis additive" does not include plant material that is in the whole, broken, or ground form.

(e) "Solvent" means a substance capable of being used in dissolving a solute with the exception of water.

(3) **Procedure.**

(a) The board may prohibit the use of any additive, solvent, ingredient or compound in the production of cannabis products that may pose a risk to public health or youth access including, but not limited to:

(i) Verifiable case report data;

(ii) Other local, state and federal agency findings, reports, etc.;

(iii) A product or substance that is the subject of a recall under WAC 314-55-225;

(iv) Any other information sourced and confirmed from reliable entities.

(b) The board may prohibit the use of a product or substance by adoption of emergency or permanent rules. The board will provide notices of rule making consistent with the requirements of chapter 34.05 RCW.

(c) The board will maintain a list of prohibited substances prohibited by emergency or permanent rules on its website.

(d) The list of prohibited substances will be reviewed on at least an annual basis.

(e) Prohibited substances may be removed from the list of prohibited substances if the board determines, after a review consistent with (a)(i) through (iv) of this subsection, that it no longer poses a risk to public health or youth access.

[Statutory Authority: RCW 69.50.342 and 2022 c 16 § 168. WSR 22-14-111, § 314-55-560, filed 7/6/22, effective 8/6/22. Statutory Authority: RCW 69.50.342 (1)(m), 69.50.345. WSR 22-02-071, § 314-55-560, filed 1/5/22, effective 2/5/22.]

WAC 314-55-570 Social equity in cannabis program. (1) Definitions.

(a) "**Disproportionately impacted area (DIA)**" means a census tract within Washington state where community members were more likely to be impacted by the war on drugs. The board will provide maps to identify disproportionately impacted areas. The maps will reflect census tracts from different time periods to account for gentrification. These areas are determined using a standardized statistical equation to identify areas in the top 15th percentile in at least two of the following demographic indicators of populations most impacted by the war on drugs:

(i) The area has a high rate of people living under the federal poverty level;
(ii) The area has a high rate of people who did not graduate from high school;
(iii) The area has a high rate of unemployment; or
(iv) The area has a high rate of people receiving public assistance.

(b) **"Family member"** means:

(i) A biological, adopted, or foster child, a stepchild, a child's spouse, or a child to whom the social equity registrant, as defined in this subsection below, stands in loco parentis (in place of the parent), is a legal guardian, or is a de facto parent, regardless of age or dependency status;

(ii) Grandchild, grandparent, parent, or sibling of a child as defined in (b)(i) of this subsection;

(iii) Spouse or domestic partner;

(iv) Any individual who regularly resides in the registrant's home or where the relationship creates an expectation that the registrant care for the individual and that individual depends on the applicant for care, or that the individual care for the registrant and that the registrant depends on the individual for care.

(c) **"Household income"** means the gross income for the previous calendar year and includes the sum of the income received in the previous calendar year by all household members aged 15 years and older before taxes and deductions.

(d) **"Individual"** means a real human being, distinguished from a corporation, company, or other business entity.

(e) **"Median household income"** means the median income for households in Washington for the previous calendar year, as determined by the United States Census Bureau.

(f) **"Preliminary letter of approval"** means an approval letter issued to a social equity program applicant. The letter may be used for the purposes of applying for funding and/or securing a location, and additional steps that may be necessary for continuing with the licensing application process.

(g) **"Social equity program applicant"** means an individual or entity that receives a preliminary letter of approval to apply for the social equity licensing program.

(h) **"Social equity contractor"** means a third party responsible for reviewing and scoring social equity program applications to identify which applicants qualify to apply for a social equity license.

(i) **"Social equity licensee"** means an individual or entity that holds a social equity cannabis license or any individual or entity who is a true party of interest in a social equity in cannabis license as described in WAC 314-55-035.

(j) **"Social equity registrant"** means any individual or entity that registers to be evaluated and scored for the social equity program. Qualification is evaluated based on the registrant's application materials submitted to the social equity contractor. If a registrant is deemed qualified for the social equity program and selected to move forward, the registrant becomes a social equity applicant, as defined in this subsection.

(2) **Registering for the social equity program.** Registration through a designated portal is required prior to submitting application materials to the social equity contractor. If two or more individuals are registering as a single applicant, only one individual may fill out the registration form on behalf of the other individuals who

are applying. Each individual is limited to one registration, within a designated license application window. Individuals registering and submitting application materials who are contributing to the required 51 percent ownership may not be removed or added after registering.

(a) **Registration window.** The registration window(s) will be open for 30 calendar days. The board will open separate registration windows for retail applications and for producer and processor applications. The board may reopen a designated registration window after conducting an evaluation that considers market demand, impacts related to license density, and availability of licenses.

(3) **Social equity application process.** After a designated registration window closes, the social equity contractor will provide the registrant with directions for submitting social equity program application materials and verification documents.

(a) **Submission requirements.** Social equity program application materials must be submitted directly to the social equity contractor in the form and manner required by the social equity contractor, within 21 calendar days after notification from the social equity contractor. Application materials submitted after the specified time frame will not be reviewed or scored. Registrants are responsible for ensuring the application is complete, accurate, and successfully submitted.

(4) **Qualifying for the social equity program.** To qualify for the social equity program under this chapter and RCW 69.50.335, the criteria provided in this subsection must be met. Social equity applicants with the highest scores will be prioritized by the social equity contractor to proceed with the social equity license application process. The social equity contractor will provide the board with a list of the selected registrants that may move forward in the application process as an applicant.

(a) **51 percent ownership.** An applicant must have 51 percent ownership and control by one or more individuals qualifying as a social equity applicant. All individuals that are a part of the license registration must be held by a person, or persons, who has lawfully resided in Washington state for six months prior to the registration date, consistent with RCW 69.50.331. Each individual comprising the 51 percent majority ownership must meet at least two of the four qualifications below:

(i) **Qualification 1:** Resided in a disproportionately impacted area (DIA) in Washington state for a minimum of five years any time between 1980 and 2010. Time spent living in a DIA does not need to be consecutive.

(A) Proof of address documentation that may demonstrate currently living or having lived in a DIA include, but are not limited to, documents such as: Bank statements, lease agreements, home insurance or car policy, federal or state tax returns that show the address for each year, utility bills, employment records, school records, voter registration. Any combination of documents may be utilized to demonstrate the qualification.

(B) Affidavits may be used as a supplemental document to demonstrate the registrant meets the qualifications under (4)(a)(i) of this subsection, provided that the affidavit is accompanied by other documents. The social equity contractor may verify the authenticity and accuracy of the submitted affidavit and supporting documentation. Additional documentation or evidence may be requested to support the claims made in the affidavit. Failure to provide truthful information or to comply with the verification request may be considered a misrepresentation of fact, under WAC 314-55-050, 314-55-073, or 314-55-505.

(ii) **Qualification 2:** Been arrested or convicted for a cannabis offense.

(A) To demonstrate this, documents that contain details such as the date of the arrest or conviction, the charges, and the law enforcement agency involved, such as: Arrest records from the agency that made the arrest, booking reports, bail papers, police reports or police logs, court documents (e.g., arrest warrants, charging documents, or minutes from the arraignment), criminal history records, news reports to establish the event, online inmate locator services for the family member, legal representation who can provide details about the arrest or conviction, court mandated community service paperwork, court mandated paperwork, or background checks. Any combination of documents may be utilized to demonstrate the qualification.

(B) Affidavits may be used as a supplemental document to demonstrate an arrest or conviction was a cannabis offense provided that the affidavit is accompanied by court records that provide evidence of an arrest or conviction for a schedule 1 drug offense. Court records include, but are not limited to, arrest records, charging documents, plea agreements, court orders, or sentencing documents. The social equity contractor may verify the authenticity and accuracy of the submitted affidavit and supporting documentation. Additional documentation or evidence may be requested to support the claims made in the affidavit. Failure to provide truthful information or to comply with the verification request may be considered a misrepresentation of fact, under WAC 314-55-050, 314-55-073, or 314-55-505.

(iii) **Qualification 3:** Had a household income less than the median household income within the state of Washington as determined by the United States Census Bureau for the calendar year preceding the date of application.

(A) Proof of household income includes, but is not limited to, documents such as: Federal tax return, W-2 forms issued by an employer that shows annual wages and taxes withheld, 1099-NEC forms, bank statements showing consistent deposits, employer income verification letter stating your salary and terms of employment, unemployment benefits statements, court ordered agreements, annuity statements from an insurance company showing regular annuity payments, workers' compensation letter from an employer or insurance company detailing workers' compensation payments, profit or loss statements for self-employed individuals, a statement showing business income and expenses. Any combination of documents may be utilized to demonstrate the qualification.

(iv) **Qualification 4:** Is both socially and economically disadvantaged as defined by the office of minority and women's business enterprises.

(A) Examples of documentation to demonstrate the qualification may include, but are not limited to, those identified by the office of minority and women's business enterprises for Washington state certification. Any combination of documents may be utilized to demonstrate the qualification.

(5) **Identifying registrants eligible to apply for a license.** After the social equity contractor has evaluated all registrations from a designated registration window, the social equity contractor will provide the board with a prioritized list of:

(a) The top 52 scoring registrants eligible to apply for a retail license.

(b) The top 10 scoring registrants for a cannabis producer license, which must be issued in conjunction with a cannabis processor license.

(c) The top 100 scoring registrants for a cannabis processor only license.

(6) **Social equity contractor review.** After the registration window is closed, the social equity contractor will provide the registrant, or title certificate holder, with directions for submitting social equity program application materials and verification documents.

(a) **Who is eligible to be scored:** Scoring by the social equity contractor will be limited to each registrant who meets two out of the four required social equity program qualifications, and each registrant may only be scored once. Only the first registration received will be scored for qualifications. Title certificate holders applying for license reinstatement and registering for an eligibility determination shall not be considered a duplicate registration for other new social equity license application under this section.

(b) **Scoring rubric.** The social equity contractor will prioritize social equity program registrants based on the below scoring rubric criteria. The total score will be based on a cumulative total, adding together the highest achieved score for each of the 7 categories:

Social Equity Application Scoring Rubric		
Category	Eligibility Requirements	Point Scale
	1. Lived in a disproportionately impacted area (DIA) 1-5 years = 15 points 6-10 years = 45 points 11+ years = 60 points	60
	2. Convicted of a drug offense? (Self) = 15 points Convicted of a cannabis offense? (Self) = 60 points	60
	3. Convicted of a drug offense? (Family) = 15 points Convicted of a cannabis offense? (Family) = 30 points	30
	4. If you were convicted of a cannabis offense, what type of sentence did you receive: Fine = 15 points Served probation or Confined to home = 30 points Served time in jail or prison = 60 points	60
	5. Is your household income less than the median household income within the state of Washington as calculated by the United States Census Bureau?	45
	6. Owned a medical cannabis dispensary or collective garden, licensed as a business, prior to July 1, 2016 = 15 points Owned a medical cannabis dispensary or collective garden licensed as a business in a DIA = 30 points	30
	7. Applied during the HB 2870 social equity application window, qualified as a social equity applicant, but were not eligible to be issued a license	15
	Total Maximum Points	300 points

(c) **Preliminary score.** Upon initial assessment of the social equity program application materials, the social equity contractor will provide the registrant with a preliminary score, along with a comprehensive explanation of the score detailing the points allocated for each criterion.

(i) The registrant may submit additional documentation to potentially improve the final score. Documentation must be submitted in the form and manner specified by the social equity contractor no later than 21 calendar days after being provided the preliminary score.

(d) **Final score.** Prior to issuing the final score, the social equity contractor may adjust the registrant's preliminary score based

on a review of any additional documentation provided. The social equity contractor will notify registrants and qualified social equity applicants of the final score and include a detailed explanation of the scoring decision.

(e) **Prioritization.** Qualified registrants with highest final scores will be prioritized by the social equity contractor to be included on the list of social equity applicants who are selected to apply for a social equity license.

(f) **Double-blind lottery.** If a tie should occur among qualified registrants with identical scores, a double-blind lottery will be used to prioritize the social equity applicants who may proceed with applying for a social equity license. The double-blind lottery will be conducted by a third-party contractor who is separate from the social equity contractor reviewing and scoring the application.

(g) **Conflict of interest.** It is a conflict of interest and violation of this chapter if the social equity contractor, the third-party contractor conducting the double-blind lottery, or employees of any contractor benefit from any social equity license granted under this section. Any conflicts of interest between a contractor and applicant or cannabis licensee may result in the denial of an application or a revocation of the cannabis license.

(7) **Board notification.**

(a) **Preliminary letter of approval.** Once the social equity applications that will be processed are identified as described in this section, eligible social equity applicants will be issued a preliminary letter of approval.

(b) **Withdrawal letter.** The board will issue a withdrawal letter notifying registrants that are not eligible to apply for a social equity license if:

(i) The social equity program application or additional materials are determined to be incomplete or incorrect by the social equity contractor;

(ii) The social equity program application materials are not received by the social equity contractor in a timely manner;

(iii) The social equity registrant is not qualified for the social equity program based on the determination made by the social equity contractor;

(iv) The social equity registrant is deemed qualified for the social equity program but did not score high enough to be prioritized, based on the score provided by the social equity contractor or the social equity registrant was not selected in a lottery to determine which registrants could move forward.

(v) The social equity registrant makes a voluntary request to the board, in writing, to voluntarily withdraw the social equity program application being reviewed and scored by the social equity contractor. The voluntary withdrawal of a social equity program application does not result in a hearing right.

(8) **Social equity license application.** Once the board issues the preliminary letter of approval, selected applicants may submit social equity license application materials to the board. Qualifying as a social equity applicant does not guarantee the issuance of a social equity license.

(a) **Licensing requirements.** To qualify for a social equity license, applicants must meet the licensing requirements provided in this chapter, RCW 69.50.331, and RCW 69.50.335.

(b) **Location and financing.** There are no time restrictions for when a social equity applicant must select and secure a location

and/or financing. Social equity registrants who applied under chapter 220, Laws of 2023, have been scored and prioritized pursuant to this section by the social equity contractor and have been selected to apply for a new social equity license may locate the initial licensed business to any city, town, or county in the state of Washington, one time only. Once the initial licensed location is established it may not be moved from the selected city, town, or county.

(c) **County threshold.** The board will establish license thresholds for each county to ensure there is an adequate amount of access to licensed sources of cannabis, cannabis concentrates, usable cannabis, and cannabis-infused products to discourage purchases from the illegal market. The board shall conduct a license threshold determination every three years, beginning July 1, 2029. In making its determination, the board shall consider market conditions, economic trends, demographics, and other relevant factors. County thresholds will be publicly posted and updated every three years and will be accessible to all stakeholders and the general public via the internet.

(d) **Retailer license mobility.** Effective January 1, 2026, social equity applicants, who applied under chapter 236, Laws of 2020, may change the initial business location from their currently allocated local jurisdiction under the following conditions:

(i) The qualifying licensee has not secured a location in the initial county where their license is allocated; and

(ii) Any relocation into a different county requires the qualifying social equity licensee to have received an application score which exceeds the lowest score awarded for successful applicants in the desired county.

(iii) The lowest scores awarded for successful applicants under chapter 236, Laws of 2020, by county will be posted online.

(e) **Local ordinance.** The board will substantially consider an objection from an incorporated city or town, or county for a proposed location of a social equity retail license if an ordinance limiting retail outlet density is in effect in the area prior to the board receiving the license application.

(f) **License transfer and assumption.** Licenses awarded under this section may not be transferred or assumed within the first year of the license being issued. After the first year and up to the fifth year from the date of the initial license approval, licenses awarded under this section may only be transferred to or assumed by individuals or groups of individuals who meet the qualifications of a social equity program applicant.

(g) **Appeals.** An applicant or licensee may request an administrative hearing to contest the withdrawal, denial, nonrenewal, or revocation of a license pursuant to chapter 34.05 RCW. A request for a hearing must be made in writing and received by the board no later than 20 days after the date the notification of withdrawal, denial, nonrenewal, or revocation was mailed to the applicant or licensee.

(9) **Title certificate holders.** A title certificate holder means a licensee who is unable to open for business in the city or county where the cannabis retail license was originally located due to a ban or moratorium.

(a) Title certificate holders that meet the requirements of a social equity applicant under chapter 220, Laws of 2023, may reinstate their existing license under the social equity program, and locate anywhere in the county where the cannabis retail license was originally located. To reinstate a license under the social equity program, title certificate holders must first register through the board to

then submit application materials to the social equity contractor for an eligibility determination, as defined in this chapter and RCW 69.50.335. Scoring by the social equity contractor is not required as part of eligibility determination.

(i) Prior to submitting application materials to the board to reinstate the license under the social equity program, the title certificate holders must have an established business entity structure that has been approved by the board.

(ii) Individuals registering and submitting application materials for an eligibility determination, who are contributing to the required 51 percent ownership, may not be removed after the title certificate holder registers and submits application materials to the social equity contractor during the 30-day registration window.

(iii) An application to reinstate a license and application for a social equity license must be submitted to the board.

(iv) Neither a new location for the retail license in the county or financing are required at the time of the application to reinstate an existing cannabis license.

(v) Nothing shall prevent a title certificate holder from applying for a social equity license under chapter 220, Laws of 2023, in addition to reinstating a license under the social equity in cannabis program. Only social equity registrants receiving a score by the social equity contractor are eligible to be prioritized for a new license under this section.

(10) **Social equity plan reimbursement.** All cannabis licensees with an active license may submit a social equity plan, as defined in RCW 69.50.101, to the board for a one-time reimbursement that equals the cost of the licensee's annual cannabis license renewal fee, one per entity. The board will reimburse the licensee no later than 30 calendar days after the social equity plan has been received and verified.

(a) Reimbursements may only be provided to licenses that are currently operational, and not in the process of assumption, acquisition, or discontinuation of business activities.

(b) Social equity applicants or those who hold a social equity license are not required to pay a license renewal fee.

[Statutory Authority: RCW 69.50.331, 69.50.335, and 69.50.345. WSR 25-01-159, s 314-55-570, filed 12/18/24, effective 1/18/25. Statutory Authority: RCW 69.50.335, 69.50.336, 69.50.342, and 2022 c 16. WSR 22-21-058, § 314-55-570, filed 10/12/22, effective 11/12/22.]