

## Effect:

- Specifies that artificial cannabinoids and synthetically derived cannabinoids are prohibited in the marijuana products that may be approved, labeled, or represented as complying with the additional product requirements adopted by the Department of Health for marijuana products sold or provided to qualifying patients and designated providers by retailers with a medical marijuana endorsement.
- Limits the retail sales and use tax exemption for qualifying patients and designated providers purchasing marijuana products so the tax exemption applies only when the marijuana products do not contain any artificial or synthetically derived cannabinoids.
- Eliminates a reference to "artificial cannabinoids" also being defined in Schedules I through V of the Uniform Controlled Substances Act, while retaining the new definition of "artificial cannabinoid" included in the bill.
- Amends a law that makes it an unfair or deceptive act to manufacture, distribute, sell, or take certain other actions related to "synthetic cannabinoids" to specify the law does not prohibit any activities of cannabis licensees that may be authorized under the bill and LCB's rules with respect to separately defined "synthetically derived cannabinoids."
- Changes the scope of a proposed grant of LCB rulemaking authority regarding naturally and synthetically derived cannabinoids to specify this rulemaking does not include authority to adopt rules on these activities related to: (1) hemp or products derived from hemp, except products intended for use by a cannabis licensee; or (2) products authorized as a drug by the United States Food and Drug Administration.

1 AN ACT Relating to expanding regulatory authority over  
2 cannabinoids that may be impairing and providing for enhanced product  
3 safety and consumer information disclosure about marijuana products;  
4 amending RCW 69.50.325, 69.50.326, 69.50.342, 69.50.363, 69.50.455,  
5 69.50.375, 82.08.9998, and 82.12.9998; reenacting and amending RCW  
6 69.50.101; adding a new section to chapter 69.50 RCW; creating a new  
7 section; and providing an effective date.

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

9 NEW SECTION. **Sec. 1.** Due to the evolving nature of new  
10 cannabinoids being identified in the plant *Cannabis* that may be  
11 impairing, the legislature finds there is a need to provide consumers  
12 legal access to products that have been tested and which meet the  
13 same standards for quality and safety as delta-9  
14 tetrahydrocannabinol. The legislature further finds there is a need  
15 to require labeling, serving size, potency, and ingredient disclosure  
16 standards for any impairing cannabinoid product. The legislature  
17 further finds there is a need to distinguish cannabinoids derived  
18 from natural plants that are prepared for human consumption and the  
19 more unpredictable artificial cannabinoids created solely through  
20 chemical reactions. The legislature further recognizes the need to  
21 maintain clarity between plants defined as marijuana and plants

1 defined as hemp. The primary purpose of this act is to authorize the  
2 liquor and cannabis board to regulate all cannabinoids that may be  
3 impairing, regardless of origin, and to direct the board to adopt  
4 rules related to cannabinoid products and *Cannabis* isolates, except  
5 those authorized as a drug by the federal food and drug  
6 administration.

7 **Sec. 2.** RCW 69.50.101 and 2020 c 133 s 2 and 2020 c 80 s 43 are  
8 each reenacted and amended to read as follows:

9 The definitions in this section apply throughout this chapter  
10 unless the context clearly requires otherwise.

11 (a) "Administer" means to apply a controlled substance, whether  
12 by injection, inhalation, ingestion, or any other means, directly to  
13 the body of a patient or research subject by:

14 (1) a practitioner authorized to prescribe (or, by the  
15 practitioner's authorized agent); or

16 (2) the patient or research subject at the direction and in the  
17 presence of the practitioner.

18 (b) "Agent" means an authorized person who acts on behalf of or  
19 at the direction of a manufacturer, distributor, or dispenser. It  
20 does not include a common or contract carrier, public  
21 warehouseperson, or employee of the carrier or warehouseperson.

22 (c) "Artificial cannabinoid" means a solely chemically created  
23 substance that does not originate from the plant *Cannabis* but is  
24 structurally the same or substantially similar to the molecular  
25 structure of any substance derived from the plant *Cannabis* that may  
26 be a cannabinoid receptor agonist and includes, but is not limited  
27 to, any material, compound, mixture, or preparation that is not  
28 listed as a controlled substance in Schedules I through V of the  
29 Washington state controlled substances act. Artificial cannabinoids  
30 do not include:

31 (1) A naturally occurring chemical substance that is separated  
32 from the plant *Cannabis* by a chemical or mechanical extraction  
33 process;

34 (2) Cannabinoids that are produced by decarboxylation from a  
35 naturally occurring cannabinoid acid without the use of a chemical  
36 catalyst; or

37 (3) Any other chemical substance resembling in any manner a  
38 compound found in the plant *Cannabis* that is identified by the board  
39 in consultation with the department, by rule.

1 (d) "Board" means the Washington state liquor and cannabis board.

2 ~~((d))~~ (e) "Cannabinoid" means any of the chemical compounds  
3 that are the active constituents of the plant Cannabis and their  
4 acids including, but not limited to, tetrahydrocannabinol,  
5 tetrahydrocannabinolic acid, cannabidiol, cannabidiolic acid,  
6 cannabinol, cannabigerol, cannabichromene, cannabicyclol,  
7 cannabivarin, tetrahydrocannabivarin, cannabidivarin,  
8 cannabichromevarin, cannabigerovarin, cannabigerol monomethyl ether,  
9 cannabielsoin, and cannabicitran. Cannabinoids do not include  
10 artificial cannabinoids.

11 (f) "Catalyst" means a substance that increases the rate of a  
12 chemical reaction without itself undergoing any permanent chemical  
13 change.

14 (g) "CBD concentration" has the meaning provided in RCW  
15 69.51A.010.

16 ~~((e))~~ (h) "CBD product" means any product containing or  
17 consisting of cannabidiol that does not exceed 0.3 percent THC on a  
18 dry weight basis and that does not contain more than 0.5 milligrams  
19 per serving or two milligrams total in the packaged product of a  
20 cannabinoid that may be impairing.

21 ~~((f))~~ (i) "Commission" means the pharmacy quality assurance  
22 commission.

23 ~~((g))~~ (j) "Controlled substance" means a drug, substance, or  
24 immediate precursor included in Schedules I through V as set forth in  
25 federal or state laws, or federal or commission rules, but does not  
26 include hemp or industrial hemp as defined in RCW 15.140.020.

27 ~~((h))~~ (k) (1) "Controlled substance analog" means a substance  
28 the chemical structure of which is substantially similar to the  
29 chemical structure of a controlled substance in Schedule I or II and:

30 (i) that has a stimulant, depressant, or hallucinogenic effect on  
31 the central nervous system substantially similar to the stimulant,  
32 depressant, or hallucinogenic effect on the central nervous system of  
33 a controlled substance included in Schedule I or II; or

34 (ii) with respect to a particular individual, that the individual  
35 represents or intends to have a stimulant, depressant, or  
36 hallucinogenic effect on the central nervous system substantially  
37 similar to the stimulant, depressant, or hallucinogenic effect on the  
38 central nervous system of a controlled substance included in Schedule  
39 I or II.

40 (2) The term does not include:

1 (i) a controlled substance;

2 (ii) a substance for which there is an approved new drug  
3 application;

4 (iii) a substance with respect to which an exemption is in effect  
5 for investigational use by a particular person under Section 505 of  
6 the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 355, or  
7 chapter 69.77 RCW to the extent conduct with respect to the substance  
8 is pursuant to the exemption; or

9 (iv) any substance to the extent not intended for human  
10 consumption before an exemption takes effect with respect to the  
11 substance.

12 (~~(i)~~) (l) "Deliver" or "delivery" means the actual or  
13 constructive transfer from one person to another of a substance,  
14 whether or not there is an agency relationship.

15 (~~(j)~~) (m) "Department" means the department of health.

16 (~~(k)~~) (n) "Designated provider" has the meaning provided in RCW  
17 69.51A.010.

18 (~~(l)~~) (o) "Dispense" means the interpretation of a prescription  
19 or order for a controlled substance and, pursuant to that  
20 prescription or order, the proper selection, measuring, compounding,  
21 labeling, or packaging necessary to prepare that prescription or  
22 order for delivery.

23 (~~(m)~~) (p) "Dispenser" means a practitioner who dispenses.

24 (~~(n)~~) (q) "Distillate" means an extract from the plant Cannabis  
25 where a segment of one or more cannabinoids from an initial  
26 extraction are selectively concentrated through a mechanical or  
27 chemical process, or both, with all impurities removed.

28 (r) "Distribute" means to deliver other than by administering or  
29 dispensing a controlled substance.

30 (~~(o)~~) (s) "Distributor" means a person who distributes.

31 (~~(p)~~) (t) "Drug" means (1) a controlled substance recognized as  
32 a drug in the official United States pharmacopoeia/national formulary  
33 or the official homeopathic pharmacopoeia of the United States, or  
34 any supplement to them; (2) controlled substances intended for use in  
35 the diagnosis, cure, mitigation, treatment, or prevention of disease  
36 in individuals or animals; (3) controlled substances (other than  
37 food) intended to affect the structure or any function of the body of  
38 individuals or animals; and (4) controlled substances intended for  
39 use as a component of any article specified in (1), (2), or (3) of

1 this subsection. The term does not include devices or their  
2 components, parts, or accessories.

3 ~~((g))~~ (u) "Drug enforcement administration" means the drug  
4 enforcement administration in the United States Department of  
5 Justice, or its successor agency.

6 ~~((r))~~ (v) "Electronic communication of prescription  
7 information" means the transmission of a prescription or refill  
8 authorization for a drug of a practitioner using computer systems.  
9 The term does not include a prescription or refill authorization  
10 verbally transmitted by telephone nor a facsimile manually signed by  
11 the practitioner.

12 ~~((s))~~ (w) "Extract" means a solid, viscid, or liquid substance  
13 extracted from a plant, or the like, containing its essence in  
14 concentrated or isolated form.

15 (x) "Extraction" means the process to separate or obtain a solid,  
16 viscid, or liquid substance from a plant or parts of a plant, by  
17 pressure, distillation, treatment with solvents, or the like.

18 (y) "Immature plant or clone" means a plant or clone that has no  
19 flowers, is less than twelve inches in height, and is less than  
20 twelve inches in diameter.

21 ~~((t))~~ (z) "Immediate precursor" means a substance:

22 (1) that the commission has found to be and by rule designates as  
23 being the principal compound commonly used, or produced primarily for  
24 use, in the manufacture of a controlled substance;

25 (2) that is an immediate chemical intermediary used or likely to  
26 be used in the manufacture of a controlled substance; and

27 (3) the control of which is necessary to prevent, curtail, or  
28 limit the manufacture of the controlled substance.

29 ~~((u))~~ (aa) "Isolate" means extract from the plant Cannabis of  
30 95 percent or more of a single cannabinoid compound.

31 (bb) "Isomer" means an optical isomer, but in subsection ~~((gg))~~  
32 (nn) (5) of this section, RCW 69.50.204(a) (12) and (34), and  
33 69.50.206(b) (4), the term includes any geometrical isomer; in RCW  
34 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any  
35 positional isomer; and in RCW 69.50.204(a) (35), 69.50.204(c), and  
36 69.50.208(a) the term includes any positional or geometric isomer.

37 ~~((v))~~ (cc) "Lot" means a definite quantity of marijuana,  
38 marijuana concentrates, useable marijuana, or marijuana-infused  
39 product identified by a lot number, every portion or package of which

1 is uniform within recognized tolerances for the factors that appear  
2 in the labeling.

3 ~~((w))~~ (dd) "Lot number" must identify the licensee by business  
4 or trade name and Washington state unified business identifier  
5 number, and the date of harvest or processing for each lot of  
6 marijuana, marijuana concentrates, useable marijuana, or marijuana-  
7 infused product.

8 ~~((x))~~ (ee) "Manufacture" means the production, preparation,  
9 propagation, compounding, conversion, or processing of a controlled  
10 substance, either directly or indirectly or by extraction from  
11 substances of natural origin, or independently by means of chemical  
12 synthesis, or by a combination of extraction and chemical synthesis,  
13 and includes any packaging or repackaging of the substance or  
14 labeling or relabeling of its container. The term does not include  
15 the preparation, compounding, packaging, repackaging, labeling, or  
16 relabeling of a controlled substance:

17 (1) by a practitioner as an incident to the practitioner's  
18 administering or dispensing of a controlled substance in the course  
19 of the practitioner's professional practice; or

20 (2) by a practitioner, or by the practitioner's authorized agent  
21 under the practitioner's supervision, for the purpose of, or as an  
22 incident to, research, teaching, or chemical analysis and not for  
23 sale.

24 ~~((y))~~ (ff) "Marijuana" or "marihuana" means all parts of the  
25 plant *Cannabis* ~~((, whether growing or not,))~~ with a ((THC))  
26 tetrahydrocannabinol concentration ~~((greater))~~ of more than 0.3  
27 percent on a dry weight basis, whether growing or not; the seeds  
28 thereof; the resin extracted from any part of the plant, including  
29 concentrated resins, cannabinoids, and the products thereof; and  
30 every compound, manufacture, salt, derivative, mixture, or  
31 preparation of the plant, its seeds or resin. The term does not  
32 include:

33 (1) The mature stalks of the plant, fiber produced from the  
34 stalks, oil or cake made from the seeds of the plant, any other  
35 compound, manufacture, salt, derivative, mixture, or preparation of  
36 the mature stalks (except the resin extracted therefrom), fiber, oil,  
37 or cake, or the sterilized seed of the plant which is incapable of  
38 germination; or

39 (2) Hemp or industrial hemp as defined in RCW 15.140.020 ~~((r))~~ or  
40 seeds used for licensed hemp production under chapter 15.140 RCW.

1 unless the tetrahydrocannabinol concentration is greater than 0.3  
2 percent on a dry weight basis.

3 ((-z)) (gg) "Marijuana concentrates" means products consisting  
4 wholly or in part of the resin extracted from any part of the plant  
5 Cannabis ~~(and having a THC concentration)~~ containing greater than  
6 ten percent total THC such as, but not limited to, kief, live resin,  
7 rosin, hash, or bubble hash.

8 ((-aa)) (hh) "Marijuana processor" means a person licensed by  
9 the board to process marijuana of natural origin, grown by a licensed  
10 producer, either directly or indirectly or by extraction from the  
11 plant Cannabis as defined in subsection (ss) of this section, unless  
12 sourced and used as an additive in accordance with RCW 69.50.326,  
13 into marijuana concentrates, useable marijuana, and marijuana-infused  
14 products, package and label marijuana concentrates, useable  
15 marijuana, and marijuana-infused products for sale in retail outlets,  
16 (and) sell marijuana concentrates, useable marijuana, and  
17 marijuana-infused products for sale in retail outlets, and sell  
18 marijuana concentrates, useable marijuana, and marijuana-infused  
19 products at wholesale to marijuana retailers.

20 ((-bb)) (ii) "Marijuana producer" means a person licensed by the  
21 board to produce, prepare, and propagate marijuana directly from a  
22 natural origin and sell ~~(marijuana)~~ at wholesale to marijuana  
23 processors and other marijuana producers.

24 ((-ee)) (jj) "Marijuana products" means useable marijuana,  
25 marijuana concentrates, and marijuana-infused products as defined in  
26 this section and also includes any product with 0.5 milligrams or  
27 more per serving or two milligrams or more per package of a  
28 cannabinoid that may be impairing or that is marketed as such.

29 ((-dd)) (kk) "Marijuana researcher" means a person licensed by  
30 the board to produce, process, and possess marijuana for the purposes  
31 of conducting research on marijuana and marijuana-derived drug  
32 products.

33 ((-ee)) (ll) "Marijuana retailer" means a person licensed by the  
34 board to sell marijuana concentrates, useable marijuana, and  
35 marijuana-infused products in a retail outlet.

36 ((-ff)) (mm) "Marijuana-infused products" means products that  
37 contain marijuana or marijuana extracts, isolates, or distillates,  
38 that are intended for human use, are derived from marijuana as  
39 defined in subsection ~~(-y)~~ (ff) of this section, and ~~(have a THC~~  
40 concentration) contain no greater than ten percent total THC. The



1 term "marijuana-infused products" does not include either useable  
2 marijuana or marijuana concentrates.

3 ~~((gg))~~ (nn) "Narcotic drug" means any of the following, whether  
4 produced directly or indirectly by extraction from substances of  
5 vegetable origin, or independently by means of chemical synthesis, or  
6 by a combination of extraction and chemical synthesis:

7 (1) Opium, opium derivative, and any derivative of opium or opium  
8 derivative, including their salts, isomers, and salts of isomers,  
9 whenever the existence of the salts, isomers, and salts of isomers is  
10 possible within the specific chemical designation. The term does not  
11 include the isoquinoline alkaloids of opium.

12 (2) Synthetic opiate and any derivative of synthetic opiate,  
13 including their isomers, esters, ethers, salts, and salts of isomers,  
14 esters, and ethers, whenever the existence of the isomers, esters,  
15 ethers, and salts is possible within the specific chemical  
16 designation.

17 (3) Poppy straw and concentrate of poppy straw.

18 (4) Coca leaves, except coca leaves and extracts of coca leaves  
19 from which cocaine, ecgonine, and derivatives or ecgonine or their  
20 salts have been removed.

21 (5) Cocaine, or any salt, isomer, or salt of isomer thereof.

22 (6) Cocaine base.

23 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer  
24 thereof.

25 (8) Any compound, mixture, or preparation containing any quantity  
26 of any substance referred to in (1) through (7) of this subsection.

27 ~~((hh))~~ (oo) "Opiate" means any substance having an addiction-  
28 forming or addiction-sustaining liability similar to morphine or  
29 being capable of conversion into a drug having addiction-forming or  
30 addiction-sustaining liability. The term includes opium, substances  
31 derived from opium (opium derivatives), and synthetic opiates. The  
32 term does not include, unless specifically designated as controlled  
33 under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-  
34 methylmorphinan and its salts (dextromethorphan). The term includes  
35 the racemic and levorotatory forms of dextromethorphan.

36 ~~((ii))~~ (pp) "Opium poppy" means the plant of the species  
37 Papaver somniferum L., except its seeds.

38 ~~((jj))~~ (qq) "Person" means individual, corporation, business  
39 trust, estate, trust, partnership, association, joint venture,

1 government, governmental subdivision or agency, or any other legal or  
2 commercial entity.

3 ~~((kk))~~ (rr) "Plant" has the meaning provided in RCW 69.51A.010.

4 ~~((ll))~~ (ss) "Plant Cannabis" means all plants of the genus  
5 Cannabis, including marijuana as defined in subsection (ff) of this  
6 section, and hemp as defined in RCW 15.140.020.

7 (tt) "Poppy straw" means all parts, except the seeds, of the  
8 opium poppy, after mowing.

9 ~~((mm))~~ (uu) "Practitioner" means:

10 (1) A physician under chapter 18.71 RCW; a physician assistant  
11 under chapter 18.71A RCW; an osteopathic physician and surgeon under  
12 chapter 18.57 RCW; an optometrist licensed under chapter 18.53 RCW  
13 who is certified by the optometry board under RCW 18.53.010 subject  
14 to any limitations in RCW 18.53.010; a dentist under chapter 18.32  
15 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a  
16 veterinarian under chapter 18.92 RCW; a registered nurse, advanced  
17 registered nurse practitioner, or licensed practical nurse under  
18 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW  
19 who is licensed under RCW 18.36A.030 subject to any limitations in  
20 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific  
21 investigator under this chapter, licensed, registered or otherwise  
22 permitted insofar as is consistent with those licensing laws to  
23 distribute, dispense, conduct research with respect to or administer  
24 a controlled substance in the course of their professional practice  
25 or research in this state.

26 (2) A pharmacy, hospital or other institution licensed,  
27 registered, or otherwise permitted to distribute, dispense, conduct  
28 research with respect to or to administer a controlled substance in  
29 the course of professional practice or research in this state.

30 (3) A physician licensed to practice medicine and surgery, a  
31 physician licensed to practice osteopathic medicine and surgery, a  
32 dentist licensed to practice dentistry, a podiatric physician and  
33 surgeon licensed to practice podiatric medicine and surgery, a  
34 licensed physician assistant or a licensed osteopathic physician  
35 assistant specifically approved to prescribe controlled substances by  
36 his or her state's medical commission or equivalent and his or her  
37 supervising physician, an advanced registered nurse practitioner  
38 licensed to prescribe controlled substances, or a veterinarian  
39 licensed to practice veterinary medicine in any state of the United  
40 States.

1       (~~(nn)~~) (vv) "Prescription" means an order for controlled  
2 substances issued by a practitioner duly authorized by law or rule in  
3 the state of Washington to prescribe controlled substances within the  
4 scope of his or her professional practice for a legitimate medical  
5 purpose.

6       (~~(oo)~~) (ww) "Production" includes the manufacturing, planting,  
7 cultivating, growing, or harvesting of a controlled substance.

8       (~~(pp)~~) (xx) "Qualifying patient" has the meaning provided in  
9 RCW 69.51A.010.

10       (~~(qq)~~) (yy) "Recognition card" has the meaning provided in RCW  
11 69.51A.010.

12       (~~(rr)~~) (zz) "Retail outlet" means a location licensed by the  
13 board for the retail sale of marijuana concentrates, useable  
14 marijuana, and marijuana-infused products.

15       (~~(ss)~~) (aaa) "Secretary" means the secretary of health or the  
16 secretary's designee.

17       (~~(tt)~~) (bbb) "State," unless the context otherwise requires,  
18 means a state of the United States, the District of Columbia, the  
19 Commonwealth of Puerto Rico, or a territory or insular possession  
20 subject to the jurisdiction of the United States.

21       (~~(uu)~~) (ccc) "Synthetically derived cannabinoid" means any  
22 cannabinoid that is altered by a chemical reaction that changes the  
23 molecular structure of any natural cannabinoid derived from the plant  
24 Cannabis to another cannabinoid found naturally in the plant  
25 Cannabis.

26       (ddd) (1) "Tetrahydrocannabinol" or "THC" includes all  
27 tetrahydrocannabinols that are artificially, synthetically, or  
28 naturally derived, including but not limited to delta-8  
29 tetrahydrocannabinol, delta-9 tetrahydrocannabinol, delta-10  
30 tetrahydrocannabinol, THCV tetrahydrocannabivarin, THCP  
31 tetrahydrocannabiphorol, THC-O-Acetate, and the optical isomers of  
32 THC cannabinoids.

33       (2) Notwithstanding (1) of this subsection, tetrahydrocannabinol  
34 includes concentrated resins or cannabinoids, and the products  
35 thereof, produced from the plant Cannabis, whether or not the  
36 cannabinoids were derived from a marijuana plant containing a THC  
37 concentration greater than 0.3 percent on a dry weight basis.

38       (eee) "THC concentration" means percent of (~~(delta-9)~~)  
39 tetrahydrocannabinol content per dry weight of any part of the plant  
40 Cannabis, or per volume or weight of marijuana product, or the

1 combined percent of (~~delta-9~~) tetrahydrocannabinol and  
2 tetrahydrocannabinolic acid in any part of the plant *Cannabis*  
3 regardless of moisture content.

4 (~~(vv)~~) (fff) "Total THC" means the sum of the percentage, by  
5 weight or volume measurement of tetrahydrocannabinolic acid  
6 multiplied by 0.877, plus, the percentage by weight or volume  
7 measurement of tetrahydrocannabinol.

8 (ggg) "Ultimate user" means an individual who lawfully possesses  
9 a controlled substance for the individual's own use or for the use of  
10 a member of the individual's household or for administering to an  
11 animal owned by the individual or by a member of the individual's  
12 household.

13 (~~(ww)~~) (hhh) "Useable marijuana" means dried marijuana flowers.  
14 The term "useable marijuana" does not include either marijuana-  
15 infused products or marijuana concentrates.

16 (~~(xx)~~) (iii) "Youth access" means the level of interest persons  
17 under the age of twenty-one may have in a vapor product, as well as  
18 the degree to which the product is available or appealing to such  
19 persons, and the likelihood of initiation, use, or addiction by  
20 adolescents and young adults.

21 NEW SECTION. Sec. 3. A new section is added to chapter 69.50  
22 RCW to read as follows:

23 (a) Products containing or consisting of cannabinoids produced  
24 and processed for any type of consumption into a human body, whether  
25 marketed as such or not, exceeding 0.3 percent THC on a dry weight  
26 basis, that contains more than 0.5 milligrams per serving or two  
27 milligrams total in the packaged product of a cannabinoid that may be  
28 impairing, may only be sold by a marijuana producer, marijuana  
29 processor, or marijuana retailer licensed by the board unless  
30 authorized as a drug by the federal food and drug administration.

31 (b) All products containing cannabinoids described in subsection  
32 (a) of this section, or cannabinoid products marketed as having  
33 impairing effects, are within the scope of regulatory authority of  
34 the board under this chapter, except those authorized as a drug by  
35 the federal food and drug administration.

36 (c) Sale of products identified in subsection (a) of this section  
37 is prohibited unless conducted by a business holding a valid  
38 marijuana producer, marijuana processor, or marijuana retailer  
39 license issued by the board.

1 (d) Products meeting any of the criteria identified in this  
2 subsection may only be sold if such a sale is in compliance with  
3 rules adopted by the board after the board has consulted with the  
4 department of health and the department of agriculture. Products  
5 subject to this requirement are:

6 (1) Products containing cannabinoids that may be impairing;

7 (2) Products that contain greater than 0.3 percent THC on a dry  
8 weight basis; and

9 (3) Products that contain 0.5 or more milligrams per serving or  
10 two or more milligrams total in the packaged product of any  
11 cannabinoid that may be impairing.

12 (e) Products identified in subsection (d) of this section may not  
13 be sold to persons under 21 years of age, except for those in  
14 compliance with provisions of chapter 69.51A RCW.

15 (f) The requirement provided in subsection (d) of this section  
16 does not apply to delta-9 THC products approved by the board prior to  
17 January 1, 2022.

18 (g) Cannabis health and beauty aids compliant with RCW 69.50.575  
19 are not subject to the provisions of subsections (a) through (d) of  
20 this section.

21 (h) Manufacturing and sales of artificial cannabinoids is  
22 prohibited.

23 **Sec. 4.** RCW 69.50.325 and 2020 c 236 s 6 are each amended to  
24 read as follows:

25 (1) There shall be a marijuana producer's license regulated by  
26 the board and subject to annual renewal. The licensee is authorized  
27 to produce, prepare, and propagate marijuana grown from seeds or  
28 clones of natural origin: (a) Marijuana for sale at wholesale to  
29 marijuana processors and other marijuana producers; (b) immature  
30 plants or clones and seeds for sale to cooperatives as described  
31 under RCW 69.51A.250; and (c) immature plants or clones and seeds for  
32 sale to qualifying patients and designated providers as provided  
33 under RCW 69.51A.310. The production, possession, delivery,  
34 distribution, and sale of marijuana in accordance with the provisions  
35 of this chapter and the rules adopted to implement and enforce it, by  
36 a validly licensed marijuana producer, shall not be a criminal or  
37 civil offense under Washington state law. Every marijuana producer's  
38 license shall be issued in the name of the applicant, shall specify  
39 the location at which the marijuana producer intends to operate,

1 which must be within the state of Washington, and the holder thereof  
2 shall not allow any other person to use the license. The application  
3 fee for a marijuana producer's license shall be two hundred fifty  
4 dollars. The annual fee for issuance and renewal of a marijuana  
5 producer's license shall be one thousand three hundred eighty-one  
6 dollars. A separate license shall be required for each location at  
7 which a marijuana producer intends to produce marijuana.

8 (2) There shall be a marijuana processor's license to process  
9 marijuana, from the plant *Cannabis* of natural origin and grown by a  
10 licensed producer, unless sourced and used as an additive in  
11 accordance with RCW 69.50.326, and compound or convert marijuana  
12 products from marijuana grown by a licensed marijuana producer as  
13 specified by the board by rule, and prepare, package, and label  
14 marijuana concentrates, useable marijuana, and marijuana-infused  
15 products, which contain greater than 0.5 milligrams per serving of a  
16 cannabinoid that may be impairing, for sale at wholesale to marijuana  
17 processors and marijuana retailers, regulated by the board and  
18 subject to annual renewal. The processing, packaging, possession,  
19 delivery, distribution, and sale of marijuana, useable marijuana,  
20 marijuana-infused products, and marijuana concentrates in accordance  
21 with the provisions of this chapter and chapter 69.51A RCW and the  
22 rules adopted to implement and enforce these chapters, by a validly  
23 licensed marijuana processor, shall not be a criminal or civil  
24 offense under Washington state law. Every marijuana processor's  
25 license shall be issued in the name of the applicant, shall specify  
26 the location at which the licensee intends to operate, which must be  
27 within the state of Washington, and the holder thereof shall not  
28 allow any other person to use the license. The application fee for a  
29 marijuana processor's license shall be two hundred fifty dollars. The  
30 annual fee for issuance and renewal of a marijuana processor's  
31 license shall be one thousand three hundred eighty-one dollars. A  
32 separate license shall be required for each location at which a  
33 marijuana processor intends to process marijuana.

34 (3) (a) There shall be a marijuana retailer's license to sell  
35 marijuana concentrates, useable marijuana, and marijuana-infused  
36 products, and other products containing greater than 0.5 milligrams  
37 per serving of a cannabinoid that may be impairing at retail in  
38 retail outlets, regulated by the board and subject to annual renewal.  
39 The possession, delivery, distribution, and sale of marijuana  
40 concentrates, useable marijuana, and marijuana-infused products in

1 accordance with the provisions of this chapter and the rules adopted  
2 to implement and enforce it, by a validly licensed marijuana  
3 retailer, shall not be a criminal or civil offense under Washington  
4 state law. Every marijuana retailer's license shall be issued in the  
5 name of the applicant, shall specify the location of the retail  
6 outlet the licensee intends to operate, which must be within the  
7 state of Washington, and the holder thereof shall not allow any other  
8 person to use the license. The application fee for a marijuana  
9 retailer's license shall be two hundred fifty dollars. The annual fee  
10 for issuance and renewal of a marijuana retailer's license shall be  
11 one thousand three hundred eighty-one dollars. A separate license  
12 shall be required for each location at which a marijuana retailer  
13 intends to sell marijuana concentrates, useable marijuana, and  
14 marijuana-infused products.

15 (b) An individual retail licensee and all other persons or  
16 entities with a financial or other ownership interest in the business  
17 operating under the license are limited, in the aggregate, to holding  
18 a collective total of not more than five retail marijuana licenses.

19 (c) (i) A marijuana retailer's license is subject to forfeiture in  
20 accordance with rules adopted by the board pursuant to this section.

21 (ii) The board shall adopt rules to establish a license  
22 forfeiture process for a licensed marijuana retailer that is not  
23 fully operational and open to the public within a specified period  
24 from the date of license issuance, as established by the board,  
25 subject to the following restrictions:

26 (A) No marijuana retailer's license may be subject to forfeiture  
27 within the first nine months of license issuance; and

28 (B) The board must require license forfeiture on or before  
29 twenty-four calendar months of license issuance if a marijuana  
30 retailer is not fully operational and open to the public, unless the  
31 board determines that circumstances out of the licensee's control are  
32 preventing the licensee from becoming fully operational and that, in  
33 the board's discretion, the circumstances warrant extending the  
34 forfeiture period beyond twenty-four calendar months.

35 (iii) The board has discretion in adopting rules under this  
36 subsection (3) (c).

37 (iv) This subsection (3) (c) applies to marijuana retailer's  
38 licenses issued before and after July 23, 2017. However, no license  
39 of a marijuana retailer that otherwise meets the conditions for  
40 license forfeiture established pursuant to this subsection (3) (c) may

1 be subject to forfeiture within the first nine calendar months of  
2 July 23, 2017.

3 (v) The board may not require license forfeiture if the licensee  
4 has been incapable of opening a fully operational retail marijuana  
5 business due to actions by the city, town, or county with  
6 jurisdiction over the licensee that include any of the following:

7 (A) The adoption of a ban or moratorium that prohibits the  
8 opening of a retail marijuana business; or

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

14 (d) The board may issue marijuana retailer licenses pursuant to  
15 this chapter and RCW 69.50.335.

16 **Sec. 5.** RCW 69.50.326 and 2018 c 132 s 1 are each amended to  
17 read as follows:

18 (1) Licensed marijuana producers and licensed marijuana  
19 processors may use ~~((a))~~ CBD ~~((product))~~, other nonimpairing  
20 cannabinoids, or nonimpairing plant Cannabis isolates as ~~((an))~~  
21 additives for the purpose of enhancing the ~~((cannabinoid))~~  
22 nonimpairing cannabinoid concentration of any product authorized for  
23 production, processing, and sale under this chapter. Except as  
24 otherwise provided in subsection (2) of this section, such ~~((CBD~~  
25 ~~product additives))~~ cannabinoid products or isolates must be lawfully  
26 produced by a licensed marijuana producer, or purchased from ~~((a))~~  
27 producer or processor licensed under this chapter.

28 (2) Subject to the requirements set forth in (a) ~~((and (b)))~~  
29 through (d) of this subsection, and for the sole purpose of enhancing  
30 the ~~((cannabinoid))~~ nonimpairing cannabinoid concentration of any  
31 product authorized for production, processing, or sale under this  
32 chapter, licensed marijuana producers and licensed marijuana  
33 processors may use a CBD or other nonimpairing cannabinoid product  
34 obtained from a source not licensed under this chapter, provided the  
35 CBD or other nonimpairing cannabinoid product:

36 (a) Has a THC level of 0.3 percent or less on a dry weight basis  
37 and does not contain greater than 0.5 milligrams per serving of any  
38 cannabinoid that may be impairing; ~~((and))~~



1 (b) Has ~~((been tested for))~~ passed pesticide, heavy metals,  
2 contaminants, and toxins testing by a testing laboratory accredited  
3 under this chapter and in accordance with testing standards  
4 established under this chapter and the applicable administrative  
5 rules;

6 (c) Is accompanied by a disclosure statement describing  
7 production methods including, but not limited to, solvent use,  
8 catalyst use, and synthesis methods; and

9 (d) Is only added to a product authorized for production,  
10 processing, or sale under this chapter, and is not further processed  
11 or converted into a substance that may be impairing.

12 (3) Subject to the requirements of this subsection (3), the  
13 ~~((liquor and cannabis))~~ board may enact rules necessary to implement  
14 the requirements of this section. Such rule making ~~((is limited to))~~  
15 includes regulations pertaining to laboratory testing and product  
16 safety standards for ~~((those))~~ naturally and synthetically derived  
17 cannabidiol or other nonimpairing cannabinoid products used by  
18 licensed producers and processors in the manufacture of marijuana  
19 products marketed by licensed retailers under this chapter ~~((69.50~~  
20 ~~RCW))~~. Any synthetically derived cannabinoid used by licensed  
21 producers and processors in the manufacture of marijuana products  
22 marketed by licensed retailers under this chapter must be in  
23 compliance with rules adopted by the board, prior to manufacturing  
24 and sale to other licensees. Rule making by the board pertaining to  
25 any synthetically derived cannabinoid must be in consultation with  
26 the department of health and the department of agriculture. The  
27 purpose of such rule making must be to ensure the safety and purity  
28 of cannabidiol and other nonimpairing cannabinoid products used by  
29 marijuana producers and processors licensed under this chapter  
30 ~~((69.50—RCW))~~ and incorporated into products sold by licensed  
31 recreational marijuana retailers. This rule-making authority does not  
32 include the authority to enact rules regarding either the production  
33 or processing practices of the industrial hemp industry or any  
34 cannabidiol products that are sold or marketed outside of the  
35 regulatory framework established under this chapter ~~((69.50—RCW))~~.

36 (4) Licensed marijuana producers and licensed marijuana  
37 processors may not use any artificial cannabinoids, as defined in  
38 this chapter, as an additive to any product authorized for  
39 production, processing, and sale under this chapter.

1       (5) Licensed marijuana producers and licensed marijuana  
2 processors must disclose on packaging and labeling all synthetically  
3 derived cannabinoids contained in products, and may not make any  
4 statements or claims on packaging, labeling, or advertising,  
5 indicating those cannabinoids are a natural substance.

6       (6) The board must revise rules as appropriate to conform to the  
7 terminology described in this act.

8       **Sec. 6.** RCW 69.50.342 and 2020 c 133 s 3 are each amended to  
9 read as follows:

10       (1) For the purpose of carrying into effect the provisions of  
11 chapter 3, Laws of 2013 according to their true intent or of  
12 supplying any deficiency therein, the board may adopt rules not  
13 inconsistent with the spirit of chapter 3, Laws of 2013 as are deemed  
14 necessary or advisable. Without limiting the generality of the  
15 preceding sentence, the board is empowered to adopt rules regarding  
16 the following:

17       (a) The equipment and management of retail outlets and premises  
18 where marijuana is produced or processed, and inspection of the  
19 retail outlets and premises where marijuana is produced or processed;

20       (b) The books and records to be created and maintained by  
21 licensees, the reports to be made thereon to the board, and  
22 inspection of the books and records;

23       (c) Methods of producing, processing, and packaging marijuana,  
24 useable marijuana, marijuana concentrates, and marijuana-infused  
25 products; conditions of sanitation; safe handling requirements;  
26 approved pesticides and pesticide testing requirements; and standards  
27 of ingredients, quality, and identity of marijuana, useable  
28 marijuana, marijuana concentrates, and marijuana-infused products  
29 produced, processed, packaged, or sold by licensees;

30       (d) Security requirements for retail outlets and premises where  
31 marijuana is produced or processed, and safety protocols for  
32 licensees and their employees;

33       (e) Screening, hiring, training, and supervising employees of  
34 licensees;

35       (f) Retail outlet locations and hours of operation;

36       (g) Labeling requirements and restrictions on advertisement of  
37 marijuana, useable marijuana, marijuana concentrates, cannabis health  
38 and beauty aids, and marijuana-infused products for sale in retail  
39 outlets;

1 (h) Forms to be used for purposes of this chapter and chapter  
2 69.51A RCW or the rules adopted to implement and enforce these  
3 chapters, the terms and conditions to be contained in licenses issued  
4 under this chapter and chapter 69.51A RCW, and the qualifications for  
5 receiving a license issued under this chapter and chapter 69.51A RCW,  
6 including a criminal history record information check. The board may  
7 submit any criminal history record information check to the  
8 Washington state patrol and to the identification division of the  
9 federal bureau of investigation in order that these agencies may  
10 search their records for prior arrests and convictions of the  
11 individual or individuals who filled out the forms. The board must  
12 require fingerprinting of any applicant whose criminal history record  
13 information check is submitted to the federal bureau of  
14 investigation;

15 (i) Application, reinstatement, and renewal fees for licenses  
16 issued under this chapter and chapter 69.51A RCW, and fees for  
17 anything done or permitted to be done under the rules adopted to  
18 implement and enforce this chapter and chapter 69.51A RCW;

19 (j) The manner of giving and serving notices required by this  
20 chapter and chapter 69.51A RCW or rules adopted to implement or  
21 enforce these chapters;

22 (k) Times and periods when, and the manner, methods, and means by  
23 which, licensees transport and deliver marijuana, marijuana  
24 concentrates, useable marijuana, and marijuana-infused products  
25 within the state;

26 (l) Identification, seizure, confiscation, destruction, or  
27 donation to law enforcement for training purposes of all marijuana,  
28 marijuana concentrates, useable marijuana, and marijuana-infused  
29 products produced, processed, sold, or offered for sale within this  
30 state which do not conform in all respects to the standards  
31 prescribed by this chapter or chapter 69.51A RCW or the rules adopted  
32 to implement and enforce these chapters;

33 (m) The prohibition of any type of device used in conjunction  
34 with a marijuana vapor product and the prohibition of the use of any  
35 type of additive, solvent, ingredient, or compound in the production  
36 and processing of marijuana products, including marijuana vapor  
37 products, when the board determines, following consultation with the  
38 department of health or any other authority the board deems  
39 appropriate, that the device, additive, solvent, ingredient, or  
40 compound may pose a risk to public health or youth access; (~~and~~)

1 (n) Requirements for processors to submit under oath to the  
2 department of health a complete list of all constituent substances  
3 and the amount and sources thereof in each marijuana vapor product,  
4 including all additives, thickening agents, preservatives, compounds,  
5 and any other substance used in the production and processing of each  
6 marijuana vapor product; and

7 (o) The production, processing, transportation, delivery, sale,  
8 and purchase of naturally derived cannabinoids or synthetically  
9 derived cannabinoids. This rule-making authority does not include  
10 authority to adopt rules on activities identified in this subsection  
11 (1)(o) related to:

12 (i) Hemp or products derived from hemp as defined in RCW  
13 15.140.020, except products intended for use by a licensee as  
14 provided in this chapter; or

15 (ii) Products authorized as a drug by the federal food and drug  
16 administration.

17 (2) Rules adopted on retail outlets holding medical marijuana  
18 endorsements must be adopted in coordination and consultation with  
19 the department.

20 (3) The board must adopt rules to perfect and expand existing  
21 programs for compliance education for licensed marijuana businesses  
22 and their employees. The rules must include a voluntary compliance  
23 program created in consultation with licensed marijuana businesses  
24 and their employees. The voluntary compliance program must include  
25 recommendations on abating violations of this chapter and rules  
26 adopted under this chapter.

27 **Sec. 7.** RCW 69.50.363 and 2015 c 207 s 7 are each amended to  
28 read as follows:

29 The following acts, when performed by a validly licensed  
30 marijuana processor or employee of a validly licensed marijuana  
31 processor in compliance with rules adopted by the (~~state liquor~~  
32 ~~control~~) board to implement and enforce chapter 3, Laws of 2013, do  
33 not constitute criminal or civil offenses under Washington state law:

34 (1) Purchase and receipt of marijuana that has been properly  
35 packaged and labeled from a marijuana producer validly licensed under  
36 chapter 3, Laws of 2013;

37 (2) Compound or convert marijuana products from marijuana grown  
38 by a licensed marijuana producer, as specified by the board by rule.  
39 This section does not authorize compounding or converting hemp into

1 cannabinoids that may be impairing for creation of marijuana products  
2 from hemp, except as authorized under RCW 69.50.326;

3 (3) Possession, processing, packaging, and labeling of quantities  
4 of marijuana, useable marijuana, and marijuana-infused products that  
5 do not exceed the maximum amounts established by the ((state liquor  
6 control)) board under RCW 69.50.345(4);

7 ((3)) (4) Delivery, distribution, and sale of useable marijuana  
8 or marijuana-infused products to a marijuana retailer validly  
9 licensed under chapter 3, Laws of 2013; and

10 ((4)) (5) Delivery, distribution, and sale of useable  
11 marijuana, marijuana concentrates, or marijuana-infused products to a  
12 federally recognized Indian tribe as permitted under an agreement  
13 between the state and the tribe entered into under RCW 43.06.490.

14 **Sec. 8.** RCW 69.50.455 and 2015 2nd sp.s. c 4 s 1201 are each  
15 amended to read as follows:

16 (1) ((It)) Except as authorized under section 3 of this act and  
17 RCW 69.50.326, it is an unfair or deceptive practice under RCW  
18 19.86.020 for any person or entity to distribute, dispense,  
19 manufacture, display for sale, offer for sale, attempt to sell, or  
20 sell to a purchaser any product that contains any amount of any  
21 synthetic cannabinoid. The legislature finds that practices covered  
22 by this section are matters vitally affecting the public interest for  
23 the purpose of applying the consumer protection act, chapter 19.86  
24 RCW. Violations of this section are not reasonable in relation to the  
25 development and preservation of business.

26 (2) ((Synthetic)) For the purposes of this section, "synthetic  
27 cannabinoid" includes any chemical compound identified in RCW  
28 69.50.204(c)(30) or by the pharmacy quality assurance commission  
29 under RCW 69.50.201.

30 **Sec. 9.** RCW 69.50.375 and 2015 c 70 s 10 are each amended to  
31 read as follows:

32 (1) A medical marijuana endorsement to a marijuana retail license  
33 is hereby established to permit a marijuana retailer to sell  
34 marijuana for medical use to qualifying patients and designated  
35 providers. This endorsement also permits such retailers to provide  
36 marijuana at no charge, at their discretion, to qualifying patients  
37 and designated providers.

1 (2) An applicant may apply for a medical marijuana endorsement  
2 concurrently with an application for a marijuana retail license.

3 (3) To be issued an endorsement, a marijuana retailer must:

4 (a) Not authorize the medical use of marijuana for qualifying  
5 patients at the retail outlet or permit health care professionals to  
6 authorize the medical use of marijuana for qualifying patients at the  
7 retail outlet;

8 (b) Carry marijuana concentrates and marijuana-infused products  
9 identified by the department under subsection (4) of this section;

10 (c) Not use labels or market marijuana concentrates, useable  
11 marijuana, or marijuana-infused products in a way that make them  
12 intentionally attractive to minors;

13 (d) Demonstrate the ability to enter qualifying patients and  
14 designated providers in the medical marijuana authorization database  
15 established in RCW 69.51A.230 and issue recognition cards and agree  
16 to enter qualifying patients and designated providers into the  
17 database and issue recognition cards in compliance with department  
18 standards;

19 (e) Keep copies of the qualifying patient's or designated  
20 provider's recognition card, or keep equivalent records as required  
21 by rule of the state liquor and cannabis board or the department of  
22 revenue to document the validity of tax exempt sales; and

23 (f) Meet other requirements as adopted by rule of the department  
24 or the state liquor and cannabis board.

25 (4) (~~The~~) Subject to subsection (5) of this section, the  
26 department, in conjunction with the state liquor and cannabis board,  
27 must adopt rules on requirements for marijuana concentrates, useable  
28 marijuana, and marijuana-infused products that may be sold, or  
29 provided at no charge, to qualifying patients or designated providers  
30 at a retail outlet holding a medical marijuana endorsement. These  
31 rules must include:

32 (a) THC concentration, CBD concentration, or low THC, high CBD  
33 ratios appropriate for marijuana concentrates, useable marijuana, or  
34 marijuana-infused products sold to qualifying patients or designated  
35 providers;

36 (b) Labeling requirements including that the labels attached to  
37 marijuana concentrates, useable marijuana, or marijuana-infused  
38 products contain THC concentration, CBD concentration, and THC to CBD  
39 ratios;

1 (c) Other product requirements, including any additional mold,  
2 fungus, or pesticide testing requirements, or limitations to the  
3 types of solvents that may be used in marijuana processing that the  
4 department deems necessary to address the medical needs of qualifying  
5 patients;

6 (d) Safe handling requirements for marijuana concentrates,  
7 useable marijuana, or marijuana-infused products; and

8 (e) Training requirements for employees.

9 (5) Artificial cannabinoids and synthetically derived  
10 cannabinoids are prohibited in the marijuana concentrates, useable  
11 marijuana, and marijuana-infused products that may be approved,  
12 labeled, or represented as complying with requirements adopted by the  
13 department under subsection (4) of this section.

14 (6) A marijuana retailer holding an endorsement to sell marijuana  
15 to qualifying patients or designated providers must train its  
16 employees on:

17 (a) Procedures regarding the recognition of valid authorizations  
18 and the use of equipment to enter qualifying patients and designated  
19 providers into the medical marijuana authorization database;

20 (b) Recognition of valid recognition cards; and

21 (c) Recognition of strains, varieties, THC concentration, CBD  
22 concentration, and THC to CBD ratios of marijuana concentrates,  
23 useable marijuana, and marijuana-infused products, available for sale  
24 when assisting qualifying patients and designated providers at the  
25 retail outlet.

26 **Sec. 10.** RCW 82.08.9998 and 2019 c 393 s 4 are each amended to  
27 read as follows:

28 (1) The tax levied by RCW 82.08.020 does not apply to:

29 (a) Sales of marijuana concentrates, useable marijuana, or  
30 marijuana-infused products, that do not contain any artificial  
31 cannabinoids as defined in RCW 69.50.101 or synthetically derived  
32 cannabinoids as defined in RCW 69.50.101 and that are identified by  
33 the department of health in rules adopted under RCW 69.50.375(4) in  
34 chapter 246-70 WAC as being a compliant marijuana product, by  
35 marijuana retailers with medical marijuana endorsements to qualifying  
36 patients or designated providers who have been issued recognition  
37 cards;

38 (b) Sales of products containing THC with a THC concentration of  
39 0.3 percent or less to qualifying patients or designated providers

1 who have been issued recognition cards by marijuana retailers with  
2 medical marijuana endorsements;

3 (c) Sales of marijuana concentrates, useable marijuana, or  
4 marijuana-infused products, identified by the department of health  
5 under RCW 69.50.375 to have a low THC, high CBD ratio, and to be  
6 beneficial for medical use, by marijuana retailers with medical  
7 marijuana endorsements, to any person;

8 (d) Sales of topical, noningestible products containing THC with  
9 a THC concentration of 0.3 percent or less by health care  
10 professionals under RCW 69.51A.280;

11 (e)(i) Marijuana, marijuana concentrates, useable marijuana,  
12 marijuana-infused products, or products containing THC with a THC  
13 concentration of 0.3 percent or less produced by a cooperative and  
14 provided to its members; and

15 (ii) Any nonmonetary resources and labor contributed by an  
16 individual member of the cooperative in which the individual is a  
17 member. However, nothing in this subsection (1)(e) may be construed  
18 to exempt the individual members of a cooperative from the tax  
19 imposed in RCW 82.08.020 on any purchase of property or services  
20 contributed to the cooperative.

21 (2) Each seller making exempt sales under subsection (1) of this  
22 section must maintain information establishing eligibility for the  
23 exemption in the form and manner required by the department.

24 (3) The department must provide a separate tax reporting line for  
25 exemption amounts claimed under this section.

26 (4) The definitions in this subsection apply throughout this  
27 section unless the context clearly requires otherwise.

28 (a) "Cooperative" means a cooperative authorized by and operating  
29 in compliance with RCW 69.51A.250.

30 (b) "Marijuana retailer with a medical marijuana endorsement"  
31 means a marijuana retailer permitted under RCW 69.50.375 to sell  
32 marijuana for medical use to qualifying patients and designated  
33 providers.

34 (c) "Products containing THC with a THC concentration of 0.3  
35 percent or less" means all products containing THC with a THC  
36 concentration not exceeding 0.3 percent and that, when used as  
37 intended, are inhalable, ingestible, or absorbable.

38 (d) "THC concentration," "marijuana," "marijuana concentrates,"  
39 "useable marijuana," "marijuana retailer," and "marijuana-infused  
40 products" have the same meanings as provided in RCW 69.50.101 and the



1 terms "qualifying patients," "designated providers," and "recognition  
2 card" have the same meaning as provided in RCW 69.51A.010.

3 **Sec. 11.** RCW 82.12.9998 and 2019 c 393 s 5 are each amended to  
4 read as follows:

5 (1) The provisions of this chapter do not apply to:

6 (a) The use of marijuana concentrates, useable marijuana, or  
7 marijuana-infused products, that do not contain any artificial  
8 cannabinoids as defined in RCW 69.50.101 or synthetically derived  
9 cannabinoids as defined in RCW 69.50.101 and that are identified by  
10 the department of health in rules adopted under RCW 69.50.375(4) in  
11 chapter 246-70 WAC as being a compliant marijuana product, by  
12 qualifying patients or designated providers who have been issued  
13 recognition cards and have obtained such products from a marijuana  
14 retailer with a medical marijuana endorsement.

15 (b) The use of products containing THC with a THC concentration  
16 of 0.3 percent or less by qualifying patients or designated providers  
17 who have been issued recognition cards and have obtained such  
18 products from a marijuana retailer with a medical marijuana  
19 endorsement.

20 (c)(i) Marijuana retailers with a medical marijuana endorsement  
21 with respect to:

22 (A) Marijuana concentrates, useable marijuana, or marijuana-  
23 infused products; or

24 (B) Products containing THC with a THC concentration of 0.3  
25 percent or less;

26 (ii) The exemption in this subsection (1)(c) applies only if such  
27 products are provided at no charge to a qualifying patient or  
28 designated provider who has been issued a recognition card. Each such  
29 retailer providing such products at no charge must maintain  
30 information establishing eligibility for this exemption in the form  
31 and manner required by the department.

32 (d) The use of marijuana concentrates, useable marijuana, or  
33 marijuana-infused products, identified by the department of health  
34 under RCW 69.50.375 to have a low THC, high CBD ratio, and to be  
35 beneficial for medical use, purchased from marijuana retailers with a  
36 medical marijuana endorsement.

37 (e) Health care professionals with respect to the use of products  
38 containing THC with a THC concentration of 0.3 percent or less  
39 provided at no charge by the health care professionals under RCW

1 69.51A.280. Each health care professional providing such products at  
2 no charge must maintain information establishing eligibility for this  
3 exemption in the form and manner required by the department.

4 (f) The use of topical, noningestible products containing THC  
5 with a THC concentration of 0.3 percent or less by qualifying  
6 patients when purchased from or provided at no charge by a health  
7 care professional under RCW 69.51A.280.

8 (g) The use of:

9 (i) Marijuana, marijuana concentrates, useable marijuana,  
10 marijuana-infused products, or products containing THC with a THC  
11 concentration of 0.3 percent or less, by a cooperative and its  
12 members, when produced by the cooperative; and

13 (ii) Any nonmonetary resources and labor by a cooperative when  
14 contributed by its members. However, nothing in this subsection  
15 (1)(g) may be construed to exempt the individual members of a  
16 cooperative from the tax imposed in RCW 82.12.020 on the use of any  
17 property or services purchased by the member and contributed to the  
18 cooperative.

19 (2) The definitions in RCW 82.08.9998 apply to this section.

20 NEW SECTION. **Sec. 12.** This act takes effect July 1, 2022.

--- END ---