To: David Postman, Board Chair

Ollie Garrett, Board Member Russ Hauge, Board Member

From: Kathy Hoffman, Policy and Rules Manager

Date: September 15, 2021

Copy: Rick Garza, Agency Director

Toni Hood, Deputy Director

Justin Nordhorn, Policy and External Affairs Director Becky Smith, Licensing and Regulation Director

Chandra Brady, Director of Enforcement and Education

Subject: Request for approval to rescind Board Interim Policy (BIP) 17-2019

concerning marijuana packaging and labeling rules, and WAC 314-55-

077(8) and (9)

On December 18, 2019, the Board adopted a substantial restructure and multiple revisions to WAC 314-55-105 concerning the packaging and labeling of marijuana products. The revisions implemented relevant sections of Engrossed Substitute Senate Bill (ESSB) 5298 codified in RCW 69.50.326. Among other things, the revisions removed the requirement for a measuring device for marijuana-infused liquid edibles in favor of hashmarks on a container, and reduced plastic package thickness for marijuana-infused edibles. Additionally, technical and clarifying revisions were made to WAC 314-55-077(8) and (9) related to packaging and labeling requirements. The rules became effective January 1, 2020.

The substantive changes to WAC 314-55-105 and WAC 314-55-077(8) and (9) represented not only a relaxation of current rule, but incorporated certain elements of several existing BIP concerning label colors and logos, product color and coating, homogenization, implementation of prior rules, and retail sell-down. Since the adopted rules either incorporated parts of the these policies, or were addressed as statutory revisions that were incorporated in the adopted rules six BIP were rescinded on December 18, 2019.

However, following those rescissions, the Board immediately adopted BIP 17-2019 to address and describe both the "phase in" and "sell down" periods for the new marijuana packaging and labeling rules. The policy was designed to allow implementation flexibitly and intended to mitigate industry compliance impact and cost. It was also designed to end on January 1, 2021. For these reasons, BIP 17-2019 is no longer necessary.

If the Board approves rescission of BIP 17-2019, the agency will send notice to stakeholders, and remove the BIP from the LCB website.

The Board approves/disapproves the rescission of BIP 17-2019.

x_	_ Approve	_ Disapprove		9.15.2021
			David Postman, Chair	Date
X	_ Approve	_ Disapprove	though will	9.15.2021
			Ollie Garrett, Board Member	Date
	Approve	_ Disapprove	Not Present	<u>9.15.2021</u>
			Russ Hauge, Board Member	Date

Liquor and Cannabis Board Interim Policy BIP-17-2019

Subject:

Implementation of WAC 314-55-105 regarding marijuana packaging

and labeling rules, and WAC 314-55-077(8) and (9)

Effective Date:

December 18, 2019

Ending Date:

January 1, 2021

Approved:

Jane Rushford, Board Chair

Ollie Garrett, Board Member

Russ Hauge, Board Member

Background:

Purpose:

This policy addresses and describes both "phase in" and "sell down" periods for marijuana packaging and labeling rules that become effective January 1, 2020. These phase-in and sell-down periods allow implementation flexibility, increase licensee compliance success and are intended to mitigate industry compliance impact and cost.

Policy Statement:

Effective July 1, 2020, WSLCB licensed marijuana retailers cannot accept product, packaging or labeling that do not comply with the rules adopted by the Board, WAC 314-55-105 and WAC 314-55-077(8) and (9), on December 18, 2019, and effective January 1, 2020.

WSLCB licensed retailers may not sell non-compliant products after December 31, 2020.

WSLCB licensed retailers who are still in possession of these products on or after January 2021 may return those products to the WSLCB licensed processor consistent with the requirements of WAC 314-55-077, or dispose of the products consistent with WAC 314-55-079(13) and WAC 314-55-097.