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Cannabis Industry Supports Legislation for Viable, Safe Marketplace

Bills introduced today focus on compliance reform, out-of-state investment and key best practices

WASHINGTON – Today the regulated cannabis industry applauded bipartisan legislative leaders for introducing legislation crafted to uphold the long-term viability and safety of the state’s regulated cannabis marketplace.

“Our focus since the legal regulated marketplace for cannabis first opened in 2014 has been on adopting lessons-learned as both regulators and business-owners alike have collaborated to support the long-term viability and safety of our industry,” **said Vicki Christophersen, executive director of the Washington CannaBusiness Association.** “While the legal cannabis industry is still young, we have already come a long way in learning what works – and doesn’t work – when it comes to fostering a regulated marketplace that keeps products out of the hands of minors and provides license-holders regulatory transparency and business viability. We thank our elected leaders for introducing legislation crafted to implement best practices developed since I-502 was adopted in 2012 to set up our Washington businesses to compete in a rapidly growing, global industry.”

The following details outline the legislation introduced today:

Lifting ban on out-of-state investment (Senators G. Palumbo, A. Rivers, Senate Labor & Commerce Committee) - Washington is the only state with a regulated marketplace that bans out-of-state investors from participating in our state. In order to compete - especially for smaller businesses with limited access to local capital - Washington needs to align state investment standards with its growing number of competitors.

Compliance reform (HB 1237, Representatives S. Kirby, D. MacEwen, D. Stanford, B. Vick and B. Blake; SB 5318, Senators G. Palumbo and A. Rivers) – As the cannabis industry becomes more established, it is fitting to align the systems that oversee and regulate it with those of the liquor/spirits industry - best practices that have

been in place for decades. That system recognizes that industry members should have the opportunity to rectify mistakes as long as the issues do not represent risk to public safety.

Clarifying rules regulating disease claims (SB 5298, Senators G. Palumbo, A. Rivers; HB 1250, Representatives S. Wylie, B. Vick and B. Blake) Innovation in the cannabis marketplace includes significant progress toward products developed to maximize benefits of cannabis beyond recreational adult use. Without misleading or providing false information to consumers, Washington State should adopt policies that mirror FDA guidelines to clarify language allowed that describe the product.

Limited merchandising and sale of certain non-THC products in licensed retail stores (SB 5201, Senators G. Palumbo, A. Rivers, Senate Labor & Commerce Committee; HB 1238, Co-Sponsored by Representatives K. Reeves and B. Blake) Currently, 502-licensed retailers are not permitted to sell anything other than cannabis products and paraphernalia. As the industry becomes established, it is clear this restriction is unnecessary, especially given the high-compliance track record of the industry and the market challenges it faces. Washington lawmakers should support updated policies that will allow limited merchandising in retail establishments, such as the products successfully proposed in the 2018 Farm Bill.

Additional details on the Washington CannaBusiness Association's legislative agenda are attached to this press release.

About Washington CannaBusiness Association

Washington CannaBusiness Association solely represents Washington's licensed and regulated cannabis businesses and provides its members with general support and representation before regulatory agencies and the legislature. As an association of cannabis producers, processors and retailers who have gathered to promote the private cannabis industry created by Initiative 502 and our member companies, our mission is to advocate on behalf of our member companies in the legislative, regulatory, legal and public policy arenas.

Learn more about Washington CannaBusiness Association by visiting our website at <http://www.wacannabusiness.org>

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