<u>Purpose</u>

The Liquor and Cannabis Board (LCB) seeks to support qualifying medical cannabis patients by improving access to medical cannabis. Current state law does not provide incentives for licensed producers to grow medically compliant cannabis products. The law does allow qualifying medical cannabis patients to grow cannabis at home for medical purposes. Not all medical cannabis patients have opportunities to grow for themselves. Some barriers to this allowance may include prohibitions in rental agreements or limitations in expertise in growing cannabis. Qualifying patients have also expressed challenges in product access due to cost, confidence in product, and lack of desired strain availability.

The draft proposal is designed to expand on allowable practices in statute. Specifically, it wouldadd to the producer's ability to sell clones and immature plants to qualifying patients, by allowing producers to provide a service to qualifying patients who either cannot, or prefer not to, grow cannabis in their home. The potential benefits for qualifying patients include:

- Patients can know their grower, improving patient trust in product.
- Patients have a steadier supply of medication.
- Potential cost savings for patients, as the model is a service provider vs retail sale, creating excise tax relief.
- Improves equitable opportunities for growing medication (particularly for those patients residing in a rental where the opportunity may not exist)

Other benefits include:

- Keeps production in licensed facility.
- Provide additional income stream for growers who are not fully utilizing their allotted grow space.

Summary of Draft Bill Provisions

- Amends definition for producers to include allowance for contract growing for qualified patients.
- Patients and producers can enter into contracts to grow for the patient under the current producer license.
- Limits participation to only qualified medical cannabis patients in the state registry.
- Patients may not collect more product at one time than possession allowances afford in RCW.
- Contract can include production of clones, immature plants, flowering plants, or harvested flower.
- Identifies service contracts as exempt for the cannabis sales excise tax.