

# REGULATIONS FOR SPECIFIC PRODUCTS

## SELLING MARIJUANA, HEMP, AND CANNABIS PRODUCTS



Laws and regulations for growing and selling cannabis and products made from it are in flux at the federal and state level. Both marijuana and industrial hemp can be grown and sold legally in Washington State, but rules and requirements for the two crops differ significantly. Laws and rules continue to change as the industry and the regulatory environment is established. This new area offers opportunity for growers and processors, but it is critical for producers to understand the rules and remain informed and in touch with regulatory agencies who can provide the current state of regulations for these crops and products in Washington State.

### This fact sheet includes information on:

- Cannabis: marijuana vs. industrial hemp.
- Industrial hemp in Washington State.
- Marijuana regulations.
- Cannabidiol (CBD) as an ingredient in products in Washington State.

**PLEASE NOTE:** Information in this fact sheet is our best understanding of the current laws and regulations at the time of publication (June, 2019). If there is a conflict between what is written and what is contained in law, the applicable law prevails. Laws and regulations also are subject to change. Please refer to the contacts listed for the most up-to-date information.



### Cannabis: Marijuana vs. Industrial Hemp

*Cannabis sativa L.* is a species that has been selectively bred over time to develop varieties with different characteristics, including hemp and marijuana. Hemp has been grown around the world as a fiber and oilseed crop for centuries. Marijuana has been bred for psychoactive properties based on the presence of tetrahydrocannabinol, or THC. For the purposes of regulation, industrial hemp must have less than 0.3% THC on a dry weight basis.

Growing, processing, and selling recreational marijuana was legalized in Washington State in 2012. It remains listed as a Schedule 1 controlled substance at the federal level. Currently, recreational and medical marijuana in Washington State is regulated by the Washington State Liquor and Cannabis Board (WSLCB), with some services provided by the Washington State Department of Agriculture (WSDA).

The 2018 Farm Bill legalized industrial hemp as an agricultural commodity.

### Industrial Hemp in Washington State

Beginning in 2014, WSDA managed the Industrial Hemp Research Pilot (IHRP), which allowed farmers in Washington to grow industrial hemp, within specific limitations. The 2018 Farm Bill removed hemp from the federal controlled substances list and allowed for legal industrial hemp production anywhere in the United States where state laws allow. States are tasked with developing regulatory frameworks for growing, processing, and selling the crop. This led to changes in Washington State law in 2019. Industrial hemp is now recognized as a legal agricultural commodity in Washington State, and state agencies are tasked with making rules to regulate the processing and sale of industrial hemp and hemp products.

Updates on the status of the changing rules regarding hemp are available from WSDA. Search for "Industrial Hemp" on [agr.wa.gov](http://agr.wa.gov) or contact program staff at [hemp@agr.wa.gov](mailto:hemp@agr.wa.gov).

### Processing and selling value-added hemp products

At the time of publication, the rules governing processing and sale of products made from industrial hemp were in development.

However, in general, allowable processing and sale may include products such as seed and seed oils, shampoos, rope, clothing, paper, and building materials. Processing CBD (Cannabidiol) is allowed, however there are limitations on the types of products in which the CBD extract may be used as an ingredient. These are described in more detail below.

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Because the industrial hemp industry is very new in Washington State, the number of in-state processors is limited. Farmers wanting to grow hemp should research where they plan to process and sell their hemp crop.

### Marijuana Regulations

With the passage of Initiative I-502, the recreational use of marijuana became legal in Washington State, and the state developed a regulatory framework for its cultivation, processing, sale, and use. Marijuana activities licensed within this legal recreational framework are sometimes described as “502” businesses.

### Marijuana licenses

If your business deals with the production, processing, or sale of marijuana—recreational or medical—in Washington State, you must have a marijuana license from the Washington State Liquor and Cannabis Board (WSLCB). A marijuana license, or WSLCB Marijuana Addendum, is an endorsement on your Business License issued by the Washington State Department of Revenue (DOR) Business Licensing Service.

There are three different recreational marijuana licenses from the WSLCB:

1. Marijuana Producer License
2. Marijuana Processor License
3. Marijuana Retailer License

To determine what type of marijuana license you need and find additional information, contact WSLCB, [lcb.wa.gov](http://lcb.wa.gov), 360-664-1600, or [customerservice@lcb.wa.gov](mailto:customerservice@lcb.wa.gov). There are also local ordinances and land use restrictions at the county and municipal levels related to growing and selling marijuana.

Please see the Business Licensing Service marijuana webpage at [bls.dor.wa.gov](http://bls.dor.wa.gov) for more information. Contact the Department of Revenue, Business Licensing Service at 800-451-7985 or email [BLS@dor.wa.gov](mailto:BLS@dor.wa.gov).

### Marijuana-infused edibles

To sell food and beverage products that contain marijuana, called marijuana-infused edibles (MIE), a business must have the WSLCB marijuana licenses, along with an MIE Processor License Endorsement

from Washington State Department of Agriculture (WSDA). WSDA's Food Safety Program regulates, inspects and provides technical assistance to food processors, including MIE processors, regarding product safety issues. These activities include assessing facility construction, equipment, cleaning and sanitizing practices, allowable products, labeling, and carrying out enforcement and recalls when necessary.

A business that wants to add the MIE Processor Endorsement must:

- Currently have a WSLCB Marijuana Processor License.
- Produce only MIE products in a single facility.

A business cannot:

- Add MIE products to a WSDA Food Processor License.
- Process MIE products at a facility that also processes non-marijuana food products.
- Process non-marijuana food products at a facility that produces MIE.

The MIE Processor License Endorsement annual fee at the time of publication is \$895. First-time applicants with a current WSLCB Marijuana Processor License should contact both WSLCB and WSDA to discuss the initial licensing process. Full information on the license and application process, and the application form, is available on the WSDA website, [agr.wa.gov](http://agr.wa.gov), by searching for “Marijuana-Infused Edibles.”

### Pesticide and fertilizer use

For legal marijuana growers in Washington State who use fertilizers or pesticides, WSDA has developed guidance on which products meet the WSDA criteria for use on marijuana. WSDA maintains the updated list on the pesticide and fertilizer use on marijuana page of the WSDA website, [agr.wa.gov](http://agr.wa.gov).

The Worker Protection Standard (WPS) exists to protect agricultural employees from pesticides and their residues. WSDA has published the “Worker Protection Standards (WPS) Requirements for Marijuana Growers” to help marijuana growers understand and comply with WPS requirements. Search for it by name on [agr.wa.gov](http://agr.wa.gov).

## Cannabidiol (CBD) as an Ingredient in Products in Washington

CBD, or Cannabidiol, is a non-psychoactive component of cannabis that is believed to have a variety of health benefits. It is possible to process CBD from both marijuana and industrial hemp. The removal of industrial hemp from the federal list of controlled substances opens the door for potential legal use of hemp-derived CBD. However, at the time of publication, federal and state agencies are re-evaluating existing rules to more clearly define how CBD may be used legally as an ingredient.

The laws and rules for use of CBD as an ingredient are complex and are in flux. Legal gray area remains, and producers considering selling these products may wish to seek their own legal guidance.

The listing below is a synopsis of applicable federal and state rules for use of CBD in Washington State at the time of publication (June 2019). **This summary is provided for convenience only and does not take the place of actual rules and laws.** Please directly contact the WSDA Commodity Inspection Division, WSDA Food Safety Program, Washington State Department of Health Medical Marijuana Program, Liquor and Cannabis Board, and other agencies with jurisdiction for current official information.

### CBD in body products

In Washington State, body products containing CBD as an ingredient fall into two categories with differing regulations:

1. Marijuana-derived CBD – May only be processed and sold by businesses with the appropriate current marijuana license from WSLCB. The products containing CBD must be processed from marijuana legally grown and processed in Washington State, and may only be sold to the end consumer by a licensed marijuana retailer. These products may contain THC.
2. Hemp-derived CBD – There are new opportunities opening up for hemp to be processed into CBD for use as an ingredient in topical body products. Those interested should contact the Washington State Liquor and Cannabis Board and other state regulatory agencies with jurisdiction, including Washington State Department of Agriculture.

Body products containing CBD from any source may not make therapeutic claims.

### CBD in food and beverages

At the time of publication, hemp-derived CBD is not allowed by the FDA as an ingredient in food, beverage, or dietary supplement products for human consumption. FDA is in the process of developing guidance for the industry on its use in food, beverages, and dietary supplements. Washington State is following the lead of FDA for these products (non-marijuana infused edible products); however, at the time of publication our state is looking at allowances for CBD in tincture products. Those interested in making and selling these products need to contact the regulatory agencies in Washington State for current allowances and restrictions on CBD in food, beverage, dietary supplement, and tincture products.



In Washington, marijuana processors with a Marijuana Infused Edibles Endorsement may be able to process food, beverages or other edible products for human consumption that contain CBD from marijuana or hemp. The CBD must be processed from marijuana legally grown and processed in Washington State, or from acceptable hemp sources in or outside of Washington State, and may only be sold to the end consumer by a licensed marijuana retailer. These products may contain THC. Contact the Washington State Liquor and Cannabis Board to discuss allowable activities.



- 5. Licensing
- 25. Food Product Recalls
- 28. Selling Body Care Products