



2021 Bill Analysis Template

<u>Bill Number:</u> SB 5004	<u>Bill Title:</u> AN ACT Relating to providing a tax exemption for medical marijuana patients	<u>Assigned To:</u> Public Health Sara Cooley Broschart
<u>Division:</u> Director's Office Public Health	<u>Date Assigned:</u> Click or tap to enter a date.	<u>Date Due:</u>

Bill Sponsor(s):
 Keiser, Warnick

Bill Digest or brief summary:
 This bill would provide an exemption from marijuana excise tax for medical card holders purchasing **medically compliant** product.

Describe what the bill requires LCB to do or how it impacts current agency activities. (Consider workload, funding needs, feasibility of implementation)

Requires changes to marijuana excise tax collection processes. No direct impact to prevention/public health operations at LCB.

Does the bill align with the agency's mission, goals and priorities (consider also the three-tier system)?

May create more interest in medically compliant product and thus provide an incentive for processors to offer more. As such, this may align with Board's priority on creating greater access for patients.

How could the bill impact access, availability or pricing of regulated substances? (Consider youth, vulnerable populations, general public and social norms)

This bill could provide an incentive for processors to offer additional medically compliant products. It would also lower the cost to the consumer of those products. In general, lower cost is associated with increased use by youth and other consumers as well.

Currently, the quality assurance rules are open, which are a factor in delineating which products are medically compliant and which are not. Depending on the outcome, there could be many many more medically compliant products that there are currently, making the loss of excise tax revenue more significant than currently estimated.

We could also see an influx of medical card registrations to access lower cost product. Medical cards are not particularly difficult to obtain and youth under 21 qualify under certain conditions. The particular process to obtain a card in WA state is not as high a bar medically as many other states.

Would the bill impact advertising and marketing of regulated substances? (Consider exposure for populations listed above)

Not directly

How might the bill impact external stakeholders, including state and local agencies, Tribes, public health and prevention? (Pro/Con):

Revenue from marijuana excise taxes goes into the [Dedicated Marijuana Account](#) which these excise taxes fund is the sole source of funding for several key prevention and public health efforts including DBHR and DOH's prevention efforts in communities and the media, research and more. Most of these do not have budget allocations from elsewhere and diminished funds from excise tasks could reduce their abilities to operate at current levels.

Recommended LCB Position on Bill:

- Support
- Concerns
- Oppose
- No position

If recommending concerns or oppose, are there amendments to address problems?

Click or tap here to enter text.

FOR SUBSTITUTE/AMENDED VERSION(S):

Identify Substitute/Amended Version:



Washington State Liquor and Cannabis Board

Click or tap here to enter text.

Summarize changes to the bill.

Click or tap here to enter text.

Recommended LCB Position on Bill:

- Support
- Concerns
- Oppose
- No position

If recommending concerns or oppose, are there amendments to address problems?

Click or tap here to enter text.

For any questions, please contact [Chris Thompson](#)