AN ACT Relating to hemp as a food ingredient and regulating hemp processing, amending RCW 69.07.220. This legislation will allow regulated hemp and hemp derived cannabinoids to be used as a ingredient to be added to food with a maximum THC allowance at 0.3%. Will also specify cannabinoid testing for heavy metals, pesticides, residual solvents and microbials, serving sizes and labeling requirements until the FDA provides guidance. With hemp derived cannabinoid products such as CBD (cannabidiol) on the open retail market unregulated in Washington, consumers are buying hemp in food products in Washington made out of state that may be unsafe since Washington does not regulate these products and does not allow hemp as food unless it has GRAS statues already. The FDA has been slow to act since the passage of the 2018 Farm Bill and subsequent Washington legislation to legalize production of the plant and regulated by the WSDA new Hemp Commodity Program. Other states with the allowances and regulations for hemp in food products to be made and sold are cornering the market in Washington while businesses can not produce the same or safer products resulting in farmers loosing income and opportunity ultimately, affecting the entire supply chain. Companies have already left our state to bring jobs and tax revenue into those states.

NEW SECTION. Sec. 1. The legislature intends to:

- (1) Authorize and establish regulations for hemp processing in this state;
- (2) Authorize and establish a licensing fee program in addition to a food processor license;
- (3) Authorize hemp cannabinoids to be used as a food ingredient or dietary supplement and establish that hemp is not considered an adulterant, and is to be regulated by the Washington State Department of Agriculture Food Safety Program in collaboration with the Washington State Department of Health, and;
- (4) Require labeling for hemp cannabinoids added to food and dietary supplement products, and;
- (5) Establish standards for the manufacture of hemp food and hemp dietary supplement products...

<u>NEW SECTION.</u> Sec. 2 The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

"Class A cannabinoid" is a substance that meets the following structural and functional criteria:

(i) The substance exhibits the structural backbone of tetrahydrocannabinols and tetrahydrocannabinol-like (THC-like) molecules that include the interconnected three-ring system of a: Six-carbon aromatic ring; pyran ring; and

cyclohexene/cyclohexane ring. Known compounds that fit the description provided in this subsection (3)(d)(i) include:

- (A) Tetrahydrocannabinols a single double-bond in the C ring:
- (I) Delta-10-THC and isomers;
- (II) Delta-9-THC and isomers;
- (III) Delta-8-THC and isomers;
- (IV) Delta-7-THC and isomers;
- (V) Delta-6a-THC and isomers; and
- (VI) Delta-10a-THC and isomers;
- (B) Hexahydrocannabinol no double bonds in the C ring
- (C) Carboxylates (C-2 and C-4) of tetrahydrocannabinols or

<u>hexahydrocannabinol:</u>

- (I) Delta-9-THC acid (Delta-9-THCA);
- (II) Similar carboxylates of Delta-9-THCA for tetrahydrocannabinols in (d)(i)(A)(I) through (VI) of this subsection; and
 - (III) Carboxylate esters in (d)(i)(A)(I) through (VI) of this subsection;
 - (D) Alkyl analogues (C-3) of tetrahydrocannabinols or hexahydrocannabinol:
 - (I) Delta-9-THCP (Delta-9-tetrahydrocannabiphorol) and n-alkyl analogues;
- (II) Similar alkylated analogues of Delta-9-THC for tetrahydrocannabinols in
- (d)(i)(A)(I) through (VI) of this subsection; and
 - (E) Hydroxylated analogues of tetrahydrocannabinols or hexahydrocannabinol:
 - (I) 11-hydroxy-delta-9-THC and 8- and 10-hydroxy analogues; and
- (II) Similar hydroxylated analogues of Delta-9-THC for tetrahydrocannabinols in (d)(i)(A)(I) through (VI) of this subsection;
- (ii) Possesses significant CB1 agonist activity as demonstrable by binding affinity (Ki) to the CB1 receptors at less than 200 nM; and

(iii) Results in positive effects for all four components of the tetrad test in rodents or reliably causes functional impairment in humans as assayed by a method possessing scientific consensus.

"Class B cannabinoid" means all cannabinoids that do not meet the form and function of class A cannabinoids.

"Hemp" means the plant *Cannabis sativa L.* and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or as allowable by federal law.

"Hemp cannabinoid product" means any consumable product derived from hemp as defined in this section, which explicitly or implicitly markets a Class B cannabinoid concentration or otherwise contains a Class B cannabinoid or cannabinoids to a significant degree for human or animal consumption above 2%.

<u>"Hemp Extract" means any directly extracted or concentrated cannabinoids or terpenes naturally occurring in hemp</u>

"Hemp Food Product" means any consumable product for human or animal consumption that contain any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent or as allowable by federal law. Including but not limited to, raw hemp, cannanbinoids and terpenes.

"Hemp processor" means a person who takes possession of raw hemp material with the intent to modify, package, or sell a transitional or finished hemp product.

NEW SECTION. Sec. 3 SB 5276 Section 4 to be amended

- (1)The whole hemp plant may be used as food and shall not be considered an adulterant when added to food or dietary supplements. The department and the Washington State Department Health shall regulate the processing of hemp for food and hemp cannabinoid products, that are allowable under federal law, in the same manner as other food ingredient processing under chapters 15.130 and 69.07 RCW and may adopt rules as necessary to properly regulate and enforce the processing and testing of hemp for food products including, but not limited to,
- (A) ____Establishing standards for creating hemp extracts used for food, (a)Temporary regulations will be set for daily serving size limits for any cannabinoid determined in rule until federal regulated, and;
- (b) Temporary regulations will be set for testing protocols for compliance and end-user safety to include but limited to, heavy metals, pesticides, residual solvents and microbials, and;
- (B) Cannabinoid Products may contain maximum serving sizes of 60mg or 5mg per kg of body weight of marketed Class B cannabinoids with a ratio of no less than 20 cannabinoids to 1 THC or as determined in regulations.

- (C) Food containing hemp must be labeled according to the requirements set forth in the Code of Federal Regulations, Title 21, Part 117 (21CFR117) and include,
 - (a) THC Concentration below 0.3% or states "contains THC" with,
- (b) QR code or link to website Certificate of Analyses of marketed cannabinoids or full spectrum products based on a continuously produced lot.
- (D) Dietary supplements containing hemp must be labeled according to the requirements set forth in the Code of Federal Regulations, Title 21, Part 111 (21CFR111)
- (E)All labels must read "These statements have not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure or prevent any disease."
- (F) Random audits will be preformed to ensure compliance for extraction, processing, certificates of analyses and labeling with enforcement penalties to be determined by the department.

New Section. Sec 4.

(1)Intermediate concentrates or extracts in-process above 0.3% are considered not for human or animal consumption and are not considered a controlled substances during, processing, manufacturing or transportation.

New Section. Sec. 5

(1)The department is directed to hire staff and an a consultant to implement a hemp in food program and establish standards. *See fiscal note

NEW SECTION. Sec. 6 Amendments to RCW 69.07.220 Hemp extract certification.

(1) Until such time as hemp extract is federally authorized for use as a food ingredient, hemp extract is not an shall be temporarily regulated as an approved food ingredient in Washington state by the department and Washington State

Department of Health. A hemp processor who wishes to engage in the production of hemp extract for use as a food ingredient in another state that allows its use as a food ingredient may apply for a hemp extract certification to certify the hemp processor's compliance with Washington's inspection and good manufacturing practices requirements. The department shall regulate hemp extract processing the same as other food processing under chapters 15.130, 69.07, and 69.22 RCW with the exceptions contained in subsections (2) through (6) of this section.

- (2) The department oversight is limited to certifying a hemp processor compliance with applicable inspection and good manufacturing practices requirements as adopted by the department under chapter 15.130 RCW.

 (3) The department must issue a hemp extract certification in lieu of a food processing license under RCW 69.07.040 to a hemp processor who meets the application requirements described in subsection
- (4) of this section. A hemp processor holding a hemp extract certification must apply for renewal of the certification annually.
- (4) The application, initial certification, and renewal fees must be in an amount established by the department. Applicants for certification otherwise must

meet the same requirements as applicants for a food processing license under chapter 69.07 RCW including, but not limited to, successful completion of an inspection by the department.

- (5) The department may deny, suspend, or revoke a hemp extract certification on the same grounds as the department may deny, suspend, or revoke a food processor license under this chapter.
- (6) At such time as federal authorization of hemp extracts as a food ingredient occurs, the department must cease issuance of certifications under this chapter. At renewal, hemp processors certified under this section must apply for a food processor license in accordance with RCW 69.07.040.

NEW SECTION. Sec. 7 This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.