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Washington CannaBusiness Association Shares 2017 Legislative and Regulatory Agenda

WACA priorities focus on increasing capacity for state's Liquor and Cannabis Board, supporting new business practices for legal marketplace

WASHINGTON – Today the Washington CannaBusiness Association (WACA) formally announced its 2017 Legislative and Regulatory Agenda for the upcoming Legislative Session in Olympia. Entering its third year of operation, WACA's membership has grown but its focus as an association remains tightly on the establishment of a safe, quality-controlled and fully-regulated market for legal cannabis.

2017 Legislative Agenda

A key goal of WACA's 2017 Legislative Agenda is a regulatory stability budget request. As the marijuana industry in Washington continues to grow, consistent, thorough application of the laws to all 502 licensees in a uniform and timely manner is increasingly important. The state is realizing tremendous growth in revenue from the excise tax. There should be sufficient funds to ensure that the Liquor and Cannabis Board (WSLCB) can administer this system in an efficient and productive manner. WACA will propose and actively support an increased appropriation for WSLCB to allow for better application and enforcement of regulations. Other pieces of WACA's legislative agenda range from allowing regulated consumption lounges, changes to signage allowed on stores and licensing agreements.

"We look forward to working with our state's elected leaders and regulatory officials as we advance our shared commitment to a successful, safe and legal marijuana marketplace," said Washington CannaBusiness Association Executive Director Christophersen. "We are encouraged by our success in previous legislative sessions that seeks input from all stakeholders and supports a successful regulated marketplace and access to safe products for both patients and non-medical users."

The full 2017 Legislative Agenda is available at <u>wacannabusiness.org</u>. Its priorities include:

Defend Integrity of I-502 System

- Community Mobilization Funding
- Regulatory Stability Budget Request
- Consumption Lounges
- Advertising
- Out of State Investment
- Licensing Agreements

2017 Regulatory Agenda

A top priority for WACA's 2017 Regulatory Agenda is a refinement of the current Tier system for cannabis producers. While the Tier levels were a reasonable way to predict canopy needs for the launch of the regulated marketplace, adjustments are needed in the evolving industry. For example, production levels tracked today show that the current tier structure is a major roadblock to the normal growth of businesses. Small farms can't compete when limited to 2,000 square feet of canopy. Large farms, with a high volume business model, need to grow as well. Related issues include the difficulty of enforcing single license ownership, licensed producers who have not acted on their current capacity (approximately 200 license-holders) and the challenges of creating a successful business model for the current Tier 1 canopy limit.

WACA proposes a coordinated and comprehensive four-part solution that aims to ensure the utilization of unused canopy, allows smaller farms to compete in the marketplace and makes existing enforcement efforts more efficient and effective:

- PART ONE: Reduce the tier structure to two levels instead of three.
- PART TWO: Actively address unused canopy.
- PART THREE: Empower greater flexibility to expand.
- PART FOUR: All licenses should be allowed to be sold between license holders but with some limitation on the amount of canopy any one person can own.

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