



Cannabis Farmers Council

Position Paper on Upgrading WSLCB's Traceability System

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With the formation of I502 and recreational cannabis cultivation and sales in WA state, part of the WSLCB requirements on licensees was to communicate certain data to the WSLCB in a proscribed and timely manner and that involved the use of the state's traceability system created and managed by Bio Track THC. There were many issues that growers faced using the states reporting portal to this system and because of those difficulties various third party software choices emerged to assist producers/processors/retailers to report the required data to the state in a timely manner. Many growers paid to use the various 3rd party vendors but many growers also still utilize the states portal that they could use free of charge even though it is cumbersome at best and downright difficult in fact.

After 3 years of I502, the WSLCB determined that the current traceability system is inadequate to provide all the data the WSLCB requires. The WSLCB formed a workgroup to give input on this issue and requested various associations and groups, created mainly by licensees although not entirely in the case of WACA and the Cannabis Alliance, to send representatives to engage in discussions of upgrading or replacing the current traceability system. The Cannabis Farmers Council was included in this group and myself and Jay Bohannon of Honu were chosen as the representatives. I created a survey with questions about their use and opinions of the current traceability system and sent it to all licensed producers that the CFC had contact information for. A total of 125 farms responded and the position that the CFC presented was based on those responses.

The responses from I502 producers were reported to the WSLCB in their request for "pain points" and the list below are those responses in the order of importance that the survey showed.

1. The ability to undo or "revert" if the licensee makes a mistake entering data
2. A lack of customer support in dealing with the current system in place
3. The ability to "average" weight of all plants of one strain at harvest
4. The ability to create "batch" functions such as selecting all waste for disposal
5. The ability to "cut and paste" or to export to a file such as a spreadsheet
6. The ability to "scan" a barcode
7. Better or for that matter *any* training in use of the traceability system
8. The ability to generate an invoice in traceability
9. The elimination of "timeouts and freezing screens" when entering data in traceability

In addition to these issues the respondents also voiced many other concerns in text responses in addition to the direct questions they were asked in the survey. Some of these responses included:

- Allowing the vehicle on a transport manifest to be changed,
- Eliminating 24-hour and 72-hour quarantines for sales and waste destruction, and
- A variety of other issues recommending rule changes that, according to the WSLCB, cannot be addressed because of limitations of the current BioTrack THC system.

Each of these text responses were also shared with the WSLCB in a document provided to all of their representatives present in the Traceability Workgroup as well as to the other member representatives from the various industry groups involved.

According to the WSLCB the cost to upgrade or replace the current system is not within the ability of the WSLCB to afford with its current budget. Because of that they have convinced several legislators to sponsor 2 mirror bills that imposes additional annual license renewal fees to assist in paying for this perceived necessary upgrade/replacement.

Over 60% of those growers that responded to the survey were unwilling to foot the bill in any way for such an upgrade or replacement. The position of the majority of growers that returned surveys and of the CFC and of board members themselves is that any such cost requirements should be paid for with a portion of the over \$400,000,000.00 in tax dollars that this industry has brought into the coffers of the state of Washington rather than imposing new and burdensome costs on licensees.

Additionally, 37% of farms that responded still rely on the WSLCB's reporting portal to enter their required data without having to pay a fee to do so, and the CFC's position is that any change to the state's traceability system should not only retain that function but also should make it more useable and functional. It is also universally accepted that *any* new or upgraded traceability system *must have* a fully open and shared API and that any changes that occur in the API calls must be broadcast to third party software providers in a timely manner so that all licensees will have access to consistent and up-to-date systems when providing data input to the WSLCB.

Moreover, there are additional concerns and suggestions that have been brought to the attention of the Executive Board of the Cannabis Farmers Council, chief among which are the following:

Privacy: (Crystal)

Consistency: Consistency is needed in the backend system so that weights are not rounded and/or truncated on input and on conversions between metric and imperial systems. The issue with the current State system is that values are rounded as they are converted from step-to-step creating inconsistencies between what is entered by the licensee and what is actually in the State system when it is being used. This leaves fractions of data left out or left over. The system needs to explicitly express units of measure, numeric precision, and rounding used to ensure that all users are in sync with the State's data.

Usage of appropriate quantity/weight/volumes for items as they convert from one state to another. The current State system doesn't take into account the fact that physical items tracked by count are different than items tracked by weight which are different from items tracked by volume. An item in the system can convert between all three states and back again.

Changes to "intermediate" vs "end product" vs in "process" data fields in the system are needed. The current system doesn't address properly the complexity of physical reality or common production practices like customer/on-demand packaging and label printing because of required label data at the retailer, and this need to be rectified.

Consistency needed in data fields reported by labs and recognized by the State system: Based on reports from farmers who have used various labs for testing purposes, we understand that the form and substance of reports from labs are not uniform in respect of what data field values are provided, the terminology used to describe those data fields, and the manner in which the data is presented. This has led to widespread confusion on many levels regarding what and how data must be placed on product labels.

Part of the problem is that, as we understand it, there are at least two generally accepted (and state-approved) potency testing methods, *gas chromatography* (GC) and *liquid chromatography* (LC). Due to differences in testing methodology, GC testing does not (and cannot) provide a value for THC-A. Yet the State system assumes all test results will provide this value.

The above is just one example of how the non-conformity of lab results complicates any attempt to harmonize and rationalize traceability (as well as labeling) issues. A full discussion of this issue and possible fixes is beyond the scope of this paper, but it is a fundamental anomaly that continues to confound smooth use of the State system.