

Mayor Proposes Alcohol Cannabis Collaboration for THC Drinks

Washington Mayor Muriel Bowser Proposes Allowing Alcohol Companies to Produce THC-Infused Beverages for Medical Cannabis Patients to Address Supply Bottlenecks

Washington, D.C., Mayor Muriel Bowser has introduced legislation aimed at solving a persistent medical cannabis manufacturing bottleneck by enabling local alcohol producers to partner with licensed cannabis manufacturers to produce THC-infused, alcohol-free beverages for sale at the city's medical dispensaries.

The legislation, called the Medical Cannabis Beverage Product Amendment Act of 2026, was filed on April 2 by District of Columbia Council Chairman Phil Mendelson at Bowser's request. The proposal would allow local breweries and distilleries to collaborate with medical cannabis manufacturers under an endorsement agreement, restricting the sale of cannabis beverages exclusively to qualifying patients and caregivers.

Proposal Allows Breweries and Distilleries to Create THC Beverages While Maintaining Strict Dispensing Controls

Under the proposed law, direct-to-consumer sales through breweries, distilleries, or retail outlets such as bars, restaurants, and grocery stores would remain prohibited. All products would be required to undergo laboratory testing by a licensed cannabis lab before distribution to ensure patient safety and product compliance.

Breweries and distilleries participating in the program would pay a \$500 annual licensing fee, granting them the ability to receive THC from licensed medical cannabis manufacturers, produce the beverages, and return the finished product to the supplying manufacturer for sale at licensed dispensaries.

Sales Tax and Revenue Mechanisms Designed to Support the District's General Fund

The legislation proposes a 6% retail sales tax on THC beverage products, with all generated revenue deposited into Washington, D.C.'s general fund. The measure also allows licensed cannabis cultivators and manufacturers to pay a \$1,000 annual fee to import nonintoxicating cannabinoids that comply with federal law, exclusively for producing medical cannabis beverages.

Fred Moosally, director of the city's Alcoholic Beverage and Cannabis Administration, emphasized that the proposal supports local businesses while enhancing the medical cannabis marketplace. "Providing a legal pathway for our local breweries and distilleries to utilize their expertise in beverage production is the logical

next step in maturing D.C.'s medical cannabis marketplace and supporting our local business ecosystem," he said.

Proposal Arrives Amid Historical Federal Interference in D.C.'s Adult-Use Cannabis Market

Washington, D.C.'s medical cannabis program has expanded despite federal restrictions that have historically prevented the district from regulating adult-use cannabis sales. Voters approved Initiative 71 in 2014 to legalize adult-use cannabis, but U.S. Rep. Andy Harris, R-Md., introduced the "Harris Rider" in 2015, blocking D.C. from taxing or regulating a commercial adult-use market.

President Donald Trump's fiscal 2027 budget, filed on April 3, retained the rider, continuing the federal restriction.

Emergency Measures in 2022 Allowed Adults to Self-Certify as Medical Cannabis Patients

Despite federal restrictions, Bowser created a legal pathway for adults to access cannabis in 2022 by signing an emergency bill that allowed all adults 21 and older to self-certify as medical cannabis patients, with or without a doctor's recommendation. This measure expanded the market, increased legal sales, and leveled the playing field for licensed providers.

Later in 2022, legislation further expanded access to non-district residents 21 and older, allowing them to apply for temporary registration through self-certification to purchase medical cannabis.

Dramatic Growth in D.C.'s Medical Cannabis Industry Supports Need for New Beverage Production Partnerships

The city's medical cannabis industry has grown substantially over the past four years. Where there were just seven licensed dispensaries nearly four years ago, Washington now has 68 licensed dispensaries serving medical cannabis cardholders and caregivers.

The proposed Medical Cannabis Beverage Product Amendment Act of 2026 seeks to relieve production bottlenecks while enabling collaboration between alcohol producers and cannabis manufacturers, providing patients with additional product options, including safe, smoke-free beverages.

Bowser highlighted the dual benefits of the proposal: supporting the city's medical cannabis infrastructure while also promoting local breweries and distilleries. "We know that by bringing more medical marijuana patients into the legal marketplace in a timely manner and doing more to level the playing field for licensed medical marijuana providers, we can protect residents, support local businesses and provide clarity to the community," she said.

Ensuring Patient Safety Through Licensing and Laboratory Testing Requirements

All cannabis beverages produced under the program would be required to pass rigorous testing by licensed cannabis laboratories to ensure safety, potency, and compliance with medical regulations. This framework

aims to provide patients with confidence in both product quality and consistent dosing, addressing concerns that often arise in nascent cannabis markets.

The licensing fees and tax structures are designed not only to regulate the program effectively but also to generate revenue for the city and incentivize compliance among participating breweries, distilleries, and medical cannabis manufacturers.

Proposal Could Expand Legal Market Options While Supporting Local Economic Growth

The proposed legislation, if approved, would create a new pathway for legal THC beverages in Washington, D.C., strengthening local businesses, improving patient access, and ensuring public safety. By combining the expertise of local alcohol producers with licensed cannabis manufacturers, Bowser hopes to alleviate supply bottlenecks and enhance the overall maturity of the city's medical cannabis market.

With the continued expansion of licensed dispensaries and broader access for patients and caregivers, the Medical Cannabis Beverage Product Amendment Act of 2026 represents a significant step toward modernizing and diversifying D.C.'s cannabis ecosystem, offering smoke-free alternatives and supporting the district's economic and health goals.

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