

E3SSB 5887 - H AMD TO H AMD (5887-S3.E AMH CODY BLAC 155) **989**
By Representative Nealey

1 On page 23, after line 32 of the striking amendment, insert the
2 following:

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4 "NEW SECTION. **Sec. 20.** (1) A state cannabis industry
5 coordinating committee is established, with members as provided in
6 this subsection.

7 (a) The president of the senate shall appoint one member from each
8 of the two largest caucuses of the senate.

9 (b) The speaker of the house of representatives shall appoint one
10 member from each of the two largest caucuses of the house of
11 representatives.

12 (c) The governor shall appoint members representing the following
13 state agencies:

- 14 (i) The liquor control board;
15 (ii) The department of health;
16 (iii) The department of commerce;
17 (iv) The department of revenue;
18 (v) The office of the treasurer;
19 (vi) The department of agriculture;
20 (vii) The department of financial institutions; and
21 (viii) The Washington state patrol.

22 (d) The governor shall appoint seven members representing medical
23 marijuana patients as follows:

- 24 (i) A health care professional with experience authorizing
25 qualifying patients for the medical use of marijuana;
26 (ii) Two qualifying patients or their designated providers;
27 (iii) A medical marijuana advocate;

1 (iv) A medical marijuana producer;
2 (v) A medical marijuana processor; and
3 (vi) A medical marijuana retailer or a person with experience
4 providing marijuana to or consulting with qualifying patients.

5 (e) One representative each from the association of Washington
6 cities and the Washington state association of counties.

7 (f) The governor shall appoint up to nine industry stakeholders
8 representing established and emerging markets for the use of cannabis
9 including, but not limited to, the various commercial uses of
10 industrial hemp, food processing, farmers' markets, tourism, banking,
11 and other uses that may be relevant.

12 (2) The committee must appoint its cochairs, one of which shall be
13 from among its legislative membership. The committee shall make rules
14 for orderly procedure and, in addition to the subcommittee required in
15 subsection (3) of this section, the committee may form subcommittees
16 to accomplish its work.

17 (3) The committee shall appoint a medical marijuana subcommittee
18 for the purpose of reviewing and making recommendations on the
19 following issues:

20 (a) Whether RCW 69.50.331(8) prevents the siting of marijuana
21 retailers who hold medical marijuana endorsements and what may be done
22 to assist the state and local governments in siting these retail
23 outlets;

24 (b) Whether there is a need for retail outlets that are licensed
25 to only sell medical marijuana to qualifying patients or designated
26 providers;

27 (c) Whether a marijuana producer or marijuana processor
28 endorsement should be established to permit a producer or processor to
29 sell directly to qualifying patients and designated providers and
30 whether these licensees are producing marijuana concentrates, useable
31 marijuana, and marijuana-infused products that are meeting the needs
32 of medical marijuana patients;

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1 (d) Whether posttraumatic stress disorder should be added to
2 terminal or debilitating medical conditions that qualify a person for
3 the medical use of marijuana;

4 (e) Whether a different method of taxation should be established
5 for those products designated by the liquor control board as being
6 beneficial for qualifying patients and designated providers. This
7 includes whether these products should be taxed at a different rate
8 than products intended for nonmedical use or whether they should be
9 provided with tax exemptions;

10 (f) Options for funding the medical marijuana registry; and

11 (g) Any other matters pertinent to promoting access to safe and
12 affordable marijuana for medical use by qualifying patients.

13 (4) The committee has the following powers and duties:

14 (a) Developing a state comprehensive plan that identifies and
15 coordinates the various business opportunities within the cannabis
16 industry, including potential opportunities;

17 (b) Recommending a state financial system that best implements the
18 state's marijuana marketplace while maximizing public safety, accurate
19 tax accounting, and compliance with the United States attorney
20 general's guidance regarding marijuana enforcement and guidance
21 regarding marijuana-related financial crimes on implementation of
22 Initiative Measure No. 502;

23 (c) Developing a method for monitoring and assessing the economic
24 returns the cannabis industry delivers to the state;

25 (d) Examining and reporting on any changes in federal law that may
26 impact the legal operations of the cannabis industry in the state;

27 (e) Making recommendations for a statewide cannabis industry
28 coordinator;

29 (f) Recommending options for the distribution of tax revenue from
30 the sale of marijuana; and

31 (g) Making recommendations specific to the medical use of
32 marijuana as described in subsection (3) of this section.

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1 (5) The committee shall provide specific preliminary
2 recommendations to the appropriate committees of the legislature by
3 December 15, 2014, and a final report by January 10, 2016.

4 (6) Staff support for the committee must be provided by senate
5 committee services, the house of representatives office of program
6 research, and the represented state agencies.

7 (7) Legislative members of the committee must serve without
8 additional compensation, but must be reimbursed for travel expenses in
9 accordance with RCW 44.04.120. Nonlegislative members, except those
10 representing an employer or organization, are entitled to be
11 reimbursed for travel expenses in accordance with RCW 43.03.050 and
12 43.03.060.

13 (8) The expenses of the committee must be paid jointly by the
14 senate and the house of representatives. Committee expenditures are
15 subject to approval by the senate facilities and operations committee
16 and the house of representatives executive rules committee, or their
17 successor committees.

18 (9) Meetings of the committee are subject to the open public
19 meetings act, chapter 42.30 RCW.

20 (10) This section expires January 31, 2016."
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22 Renumber the remaining sections and correct any internal
23 references accordingly.

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EFFECT: Establishes the State Cannabis Industry Coordinating
Committee (Committee) which includes legislators, Executive Branch
representatives, medical marijuana patient representatives, local
government representatives, and industry stakeholders. Directs the
Committee to make recommendations for a state plan for coordinating
the cannabis industry, creating a financial system for the marijuana
marketplace, monitoring economic returns, monitoring federal law,
creating a cannabis industry coordinator, distributing tax revenue,
and considering other options for medical marijuana.

Directs the Committee to appoint a medical marijuana subcommittee to
study issues related to marijuana retailers, producers, and
processors; the addition of posttraumatic stress disorder as a
recognized condition; taxation; and funding of the medical marijuana
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registry.

Requires the Committee to report to the Legislature by December 15, 2014 and January 10, 2016.

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