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## SUBSTITUTE SENATE BILL 6542

State of Washington 63rd Legislature 2014 Regular Session

By Senate Ways & Means (originally sponsored by Senator Kohl-Welles) READ FIRST TIME 03/03/14.

1 AN ACT Relating to establishing the state cannabis industry 2 coordinating committee; creating new sections; and providing an 3 expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. The legislature finds that voter approval of Initiative Measure No. 502 established a system for licensing and regulating cannabis production, processing, and sale. The legislature further finds that this new industry is projected to create new jobs and generate revenues to the state estimated as high as \$1,943,936,000 over five fiscal years. The legislature also finds that qualifying patients have additional protections under chapter 69.51A RCW. The legislature further finds there is potential interest to expand into other areas, such as industrial hemp, food processing, farmers' markets, and banking. As such, given a potentially evolving demand and market in new areas, it is the intent of the legislature to create a state cannabis industry coordinating committee to promote and further develop the industry while remaining in compliance with federal guidelines. It is the intention of the legislature that the committee

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- 1 will coordinate and monitor new developments and their impact on
- 2 Washington state, and to make recommendations to the legislature on
- 3 establishment of a state comprehensive plan.
- 4 <u>NEW SECTION.</u> **Sec. 2.** (1) A state cannabis industry coordinating 5 committee is established, to consist of:
  - (a) Two senators and two representatives, one from each of the two largest caucuses of the senate and the house of representatives, appointed by the president of the senate and the speaker of the house of representatives;
  - (b) One representative from each of the following state agencies:
- 11 (i) The liquor control board;

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- 12 (ii) The department of health;
  - (iii) The department of commerce;
- 14 (iv) The department of revenue;
- 15 (v) The office of the treasurer;
- 16 (vi) The department of agriculture; and
- 17 (vii) The department of financial institutions;
- 18 (c) One representative each from the association of Washington 19 cities and the Washington state association of counties; and
  - (d) Nine industry stakeholders, appointed by the governor, that include representation from established and emerging markets for the use of cannabis including, but not limited to, the markets for the medical use and nonmedical use of marijuana, the various commercial uses of industrial hemp, food processing, farmers' markets, and banking and other uses that may be relevant.
  - (2) The committee must appoint its own chair and other officers and make rules for orderly procedure.
    - (3) The committee has the following powers and duties:
  - (a) Developing a state comprehensive plan that identifies and coordinates the various business opportunities within the cannabis industry, including potential opportunities;
  - (b) Developing a method for monitoring and assessing the economic returns the cannabis industry delivers to the state;
  - (c) Examining and reporting on any changes in federal law that may impact the legal operations of the cannabis industry in the state;
- 36 (d) Making recommendations for a statewide cannabis industry 37 coordinator;

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- (e) Recommending options for the distribution of tax revenue from the sale of marijuana; and
  - (f) Providing specific preliminary recommendations regarding the issues in (a) through (e) of this subsection to the appropriate committees of the legislature by December 15, 2014, and a final report by July 1, 2015.
  - (4) Staff support for the committee must be provided by the senate committee services, the house of representatives office of program research, and the represented state agencies.
  - (5) Legislative members of the committee must serve without additional compensation, but must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.
    - (6) This section expires January 1, 2016.

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