
SUBSTITUTE HOUSE BILL 2802

State of Washington

64th Legislature

2016 Regular Session

By House Commerce & Gaming (originally sponsored by Representatives Wylie, Vick, Blake, and Harris)

READ FIRST TIME 02/05/16.

1 AN ACT Relating to the provision of personal services and
2 promotional items by cannabis producers and processors; and adding a
3 new section to chapter 69.50 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 69.50
6 RCW to read as follows:

7 (1)(a) Nothing in this chapter prohibits a producer or processor
8 from providing retailers branded promotional items which are of
9 nominal value, singly or in the aggregate. Such items include but are
10 not limited to: Lighters, postcards, pencils, matches, shirts, hats,
11 visors, and other similar items. Branded promotional items:

12 (i) Must be used exclusively by the retailer or its employees in
13 a manner consistent with its license;

14 (ii) Must bear imprinted advertising matter of the producer or
15 processor only;

16 (iii) May be provided by a producer or processor only to
17 retailers and their employees and may not be provided by or through
18 retailers or their employees to retail customers; and

19 (iv) May not be targeted to youth, including any: (A) Statement,
20 picture, or illustration that depicts a child or other person under
21 legal age for consuming cannabis; (B) objects, such as toys or

1 characters, suggesting the presence of a child, or any other
2 depiction designed in any manner to be especially appealing to
3 children or other persons under legal age to consume cannabis; (C)
4 advertising designed in any manner that would be especially appealing
5 to children or other persons under twenty-one years of age; or (D)
6 advertising implying that the consumption of cannabis is fashionable
7 or the accepted course of behavior for persons under twenty-one years
8 of age.

9 (b) A producer or processor is not obligated to provide any such
10 branded promotional items, and a retailer may not require a producer
11 or processor to provide such branded promotional items as a condition
12 for selling any cannabis to the retailer.

13 (c) Any producer, processor, or retailer or any other person
14 asserting that the provision of branded promotional items as allowed
15 in (a) of this subsection has resulted or is more likely than not to
16 result in undue influence or an adverse impact on public health and
17 safety, or is otherwise inconsistent with the criteria in (a) of this
18 subsection may file a complaint with the state liquor and cannabis
19 board. Upon receipt of a complaint the state liquor and cannabis
20 board may conduct such investigation as it deems appropriate in the
21 circumstances. If the investigation reveals the provision of branded
22 promotional items has resulted in or is more likely than not to
23 result in undue influence or has resulted or is more likely than not
24 to result in an adverse impact on public health and safety or is
25 otherwise inconsistent with (a) of this subsection the state liquor
26 and cannabis board may issue an administrative violation notice to
27 the producer, processor, or retailer. The recipient of the
28 administrative violation notice may request a hearing under chapter
29 34.05 RCW.

30 (2) Nothing in this chapter prohibits:

31 (a) Producers or processors from listing on their internet web
32 sites information related to retailers who sell or promote their
33 products, including direct links to the retailers' internet web
34 sites; and

35 (b) Retailers from listing on their internet web sites
36 information related to producers or processors whose products those
37 retailers sell or promote, including direct links to the producers or
38 processors' web sites; or

39 (c) Producers, processors, and retailers from producing, jointly
40 or together with regional, state, or local industry associations,

1 brochures and materials promoting tourism in Washington state which
2 contain information regarding retail licensees, producers,
3 processors, and their products.

4 (3) Nothing in this chapter prohibits the performance of personal
5 services offered from time to time by a producer or processor to
6 retailers when the personal services are (a) conducted at a licensed
7 premises, and (b) intended to inform, educate, or enhance customers'
8 knowledge or experience of the manufacturer's products. The
9 performance of personal services may include participation in events
10 and the use of informational or educational activities at the
11 premises of a retailer holding a license under this chapter. A
12 producer or processor is not obligated to perform any such personal
13 services, and a retail licensee may not require a producer or
14 processor to conduct any personal service as a condition for selling
15 cannabis to the retail licensee.

16 (4) For the purposes of this section, "nominal value" means a
17 value of thirty dollars or less.

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