
SENATE BILL 6136

State of Washington 64th Legislature 2015 2nd Special Session

By Senators Rivers, Mullet, and Hatfield

Read first time 06/19/15. Referred to Committee on Ways & Means.

1 AN ACT Relating to comprehensive marijuana market reforms to
 2 ensure a well-regulated and taxed marijuana market in Washington
 3 state; amending RCW 69.50.334, 69.50.357, 69.50.369, 69.50.535,
 4 69.50.540, 69.50.331, 69.50.445, 69.50.4013, 18.170.020, 69.50.4014,
 5 66.08.050, 69.50.101, 69.51A.---, 69.51A.085, 69.50.530, 69.50.204,
 6 69.50.430, 69.50.---, 28B.20.502, 43.350.030, 42.56.---, and
 7 69.50.342; adding new sections to chapter 69.50 RCW; adding a new
 8 section to chapter 82.08 RCW; adding a new section to chapter 82.12
 9 RCW; adding a new section to chapter 42.56 RCW; creating new
 10 sections; repealing RCW 69.51A.085 and 69.50.425; prescribing
 11 penalties; making appropriations; providing effective dates; and
 12 declaring an emergency.

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

14 **PART I**
 15 **Intent and Tax Preference Performance Statement**

16 NEW SECTION. **Sec. 101.** (1)(a) The legislature finds the
 17 implementation of Initiative Measure No. 502 has established a
 18 clearly disadvantaged regulated legal market with respect to prices
 19 and the ability to compete with the unregulated medical dispensary
 20 market and the illicit market. The legislature further finds that it

1 is crucial that the state continues to ensure a safe, highly
2 regulated system in Washington that protects valuable state revenues
3 while continuing efforts towards disbanding the unregulated marijuana
4 markets. The legislature further finds that ongoing evaluation on the
5 impact of meaningful marijuana tax reform for the purpose of
6 stabilizing revenues is crucial to the overall effort of protecting
7 the citizens and resources of this state. The legislature further
8 finds that a partnership with local jurisdictions in this effort is
9 imperative to the success of the legislature's policy objective. The
10 legislature further finds that sharing revenues to promote a
11 successful partnership in achieving the legislature's intent should
12 be transparent and hold local jurisdictions accountable for their use
13 of state shared revenues. Therefore, the legislature intends to
14 reform the current tax structure for the regulated legal marijuana
15 system to create price parity with the large medical and illicit
16 markets with the specific objective of increasing the market share of
17 the legal and highly regulated marijuana market. The legislature
18 further intends to share marijuana tax revenues with local
19 jurisdictions for public safety purposes and to facilitate the
20 ongoing process of ensuring a safe regulated marijuana market in all
21 communities across the state.

22 (b) The legislature further finds marijuana use for qualifying
23 patients is a valid and necessary option health care professionals
24 may recommend for their patients. The legislature further finds that
25 while recognizing the difference between recreational and medical use
26 of marijuana, it is also imperative to distinguish that the
27 authorization for medical use of marijuana is different from a valid
28 prescription provided by a doctor to a patient. The legislature
29 further finds the authorization for medical use of marijuana is
30 unlike over-the-counter medications that require no oversight by a
31 health care professional. The legislature further finds that due to
32 the unique characterization of authorizations for the medical use of
33 marijuana, the policy of providing a tax preference benefit for
34 patients using an authorization should in no way be construed as
35 precedent for changes in the treatment of prescription medications or
36 over-the-counter medications. Therefore, the legislature intends to
37 provide qualifying patients and their designated providers a retail
38 sales and use tax exemption on marijuana purchased or obtained for
39 medical use when authorized by a health care professional.

1 (2)(a) This subsection is the tax preference performance
2 statement for the retail sales and use tax exemption for marijuana
3 purchased or obtained by qualifying patients or their designated
4 providers provided in sections 207(1) and 208(1) of this act. The
5 performance statement is only intended to be used for subsequent
6 evaluation of the tax preference. It is not intended to create a
7 private right of action by any party or be used to determine
8 eligibility for preferential tax treatment.

9 (b) The legislature categorizes the tax preference as one
10 intended to accomplish the general purposes indicated in RCW
11 82.32.808(2)(e).

12 (c) It is the legislature's specific public policy objective to
13 provide qualifying patients and their designated providers a retail
14 sales and use tax exemption on marijuana purchased or obtained for
15 medical use when authorized by a health care professional.

16 (d) To measure the effectiveness of the exemption provided in
17 this act in achieving the specific public policy objective described
18 in (c) of this subsection, the department of revenue must provide the
19 necessary data and assistance to the state liquor and cannabis board
20 for the report required in RCW 69.50.535.

21 PART II

22 Marijuana Excise Tax, Exemptions, and Distribution of Revenues

23 **Sec. 201.** RCW 69.50.334 and 2013 c 3 s 7 are each amended to
24 read as follows:

25 (1) The action, order, or decision of the state liquor
26 ~~((control))~~ and cannabis board as to any denial of an application for
27 the reissuance of a license to produce, process, or sell marijuana,
28 or as to any revocation, suspension, or modification of any license
29 to produce, process, or sell marijuana, ~~((shall))~~ or as to the
30 administrative review of a notice of unpaid trust fund taxes under
31 section 202 of this act, must be an adjudicative proceeding and
32 subject to the applicable provisions of chapter 34.05 RCW.

33 ~~((1))~~ (2) An opportunity for a hearing may be provided to an
34 applicant for the reissuance of a license prior to the disposition of
35 the application, and if no opportunity for a prior hearing is
36 provided then an opportunity for a hearing to reconsider the
37 application must be provided the applicant.

1 ~~((+2))~~ (3) An opportunity for a hearing must be provided to a
2 licensee prior to a revocation or modification of any license and,
3 except as provided in subsection ~~((+4))~~ (6) of this section, prior
4 to the suspension of any license.

5 ~~((+3))~~ (4) An opportunity for a hearing must be provided to any
6 person issued a notice of unpaid trust fund taxes under section 202
7 of this act.

8 (5) No hearing ~~((shall))~~ may be required under this section until
9 demanded by the applicant ~~((or))~~ licensee, or person issued a notice
10 of unpaid trust fund taxes under section 202 of this act.

11 ~~((+4))~~ (6) The state liquor ~~((control))~~ and cannabis board may
12 summarily suspend a license for a period of up to one hundred eighty
13 days without a prior hearing if it finds that public health, safety,
14 or welfare imperatively require emergency action, and it incorporates
15 a finding to that effect in its order. Proceedings for revocation or
16 other action must be promptly instituted and determined. An
17 administrative law judge may extend the summary suspension period for
18 up to one calendar year from the first day of the initial summary
19 suspension in the event the proceedings for revocation or other
20 action cannot be completed during the initial one hundred eighty-day
21 period due to actions by the licensee. The state liquor ~~((control))~~
22 and cannabis board's enforcement division shall complete a
23 preliminary staff investigation of the violation before requesting an
24 emergency suspension by the state liquor ~~((control))~~ and cannabis
25 board.

26 NEW SECTION. Sec. 202. A new section is added to chapter 69.50
27 RCW under the subchapter heading "article V" to read as follows:

28 (1) Whenever the board determines that a limited liability
29 business entity has collected trust fund taxes and has failed to
30 remit those taxes to the board and that business entity has been
31 terminated, dissolved, or abandoned, or is insolvent, the board may
32 pursue collection of the entity's unpaid trust fund taxes, including
33 penalties on those taxes, against any or all of the responsible
34 individuals. For purposes of this subsection, "insolvent" means the
35 condition that results when the sum of the entity's debts exceeds the
36 fair market value of its assets. The board may presume that an entity
37 is insolvent if the entity refuses to disclose to the board the
38 nature of its assets and liabilities.

1 (2)(a) For a responsible individual who is the current or a
2 former chief executive or chief financial officer, liability under
3 this section applies regardless of fault or whether the individual
4 was or should have been aware of the unpaid trust fund tax liability
5 of the limited liability business entity.

6 (b) For any other responsible individual, liability under this
7 section applies only if he or she willfully failed to pay or to cause
8 to be paid to the board the trust fund taxes due from the limited
9 liability business entity.

10 (3)(a) Except as provided in this subsection (3)(a), a
11 responsible individual who is the current or a former chief executive
12 or chief financial officer is liable under this section only for
13 trust fund tax liability accrued during the period that he or she was
14 the chief executive or chief financial officer. However, if the
15 responsible individual had the responsibility or duty to remit
16 payment of the limited liability business entity's trust fund taxes
17 to the board during any period of time that the person was not the
18 chief executive or chief financial officer, that individual is also
19 liable for trust fund tax liability that became due during the period
20 that he or she had the duty to remit payment of the limited liability
21 business entity's taxes to the board but was not the chief executive
22 or chief financial officer.

23 (b) All other responsible individuals are liable under this
24 section only for trust fund tax liability that became due during the
25 period he or she had the responsibility or duty to remit payment of
26 the limited liability business entity's taxes to the board.

27 (4) Persons described in subsection (3)(b) of this section are
28 exempt from liability under this section in situations where
29 nonpayment of the limited liability business entity's trust fund
30 taxes was due to reasons beyond their control as determined by the
31 board by rule.

32 (5) Any person having been issued a notice of unpaid trust fund
33 taxes under this section is entitled to an administrative hearing
34 under RCW 69.50.334 and any such rules the board may adopt.

35 (6) This section does not relieve the limited liability business
36 entity of its trust fund tax liability or otherwise impair other tax
37 collection remedies afforded by law.

38 (7) The definitions in this subsection apply throughout this
39 section unless the context clearly requires otherwise.

40 (a) "Board" means the state liquor and cannabis board.

1 (b) "Chief executive" means: The president of a corporation or
2 for other entities or organizations other than corporations or if the
3 corporation does not have a president as one of its officers, the
4 highest ranking executive manager or administrator in charge of the
5 management of the company or organization.

6 (c) "Chief financial officer" means: The treasurer of a
7 corporation or for entities or organizations other than corporations
8 or if a corporation does not have a treasurer as one of its officers,
9 the highest senior manager who is responsible for overseeing the
10 financial activities of the entire company or organization.

11 (d) "Limited liability business entity" means a type of business
12 entity that generally shields its owners from personal liability for
13 the debts, obligations, and liabilities of the entity, or a business
14 entity that is managed or owned in whole or in part by an entity that
15 generally shields its owners from personal liability for the debts,
16 obligations, and liabilities of the entity. Limited liability
17 business entities include corporations, limited liability companies,
18 limited liability partnerships, trusts, general partnerships and
19 joint ventures in which one or more of the partners or parties are
20 also limited liability business entities, and limited partnerships in
21 which one or more of the general partners are also limited liability
22 business entities.

23 (e) "Manager" has the same meaning as in RCW 25.15.005.

24 (f) "Member" has the same meaning as in RCW 25.15.005, except
25 that the term only includes members of member-managed limited
26 liability companies.

27 (g) "Officer" means any officer or assistant officer of a
28 corporation, including the president, vice president, secretary, and
29 treasurer.

30 (h)(i) "Responsible individual" includes any current or former
31 officer, manager, member, partner, or trustee of a limited liability
32 business entity with unpaid trust fund tax liability.

33 (ii) "Responsible individual" also includes any current or former
34 employee or other individual, but only if the individual had the
35 responsibility or duty to remit payment of the limited liability
36 business entity's unpaid trust fund tax liability.

37 (iii) Whenever any taxpayer has one or more limited liability
38 business entities as a member, manager, or partner, "responsible
39 individual" also includes any current and former officers, members,
40 or managers of the limited liability business entity or entities or

1 of any other limited liability business entity involved directly in
2 the management of the taxpayer. For purposes of this subsection
3 (7)(h)(iii), "taxpayer" means a limited liability business entity
4 with unpaid trust fund taxes.

5 (i) "Trust fund taxes" means taxes collected from buyers and
6 deemed held in trust under RCW 69.50.535.

7 (j) "Willfully failed to pay or to cause to be paid" means that
8 the failure was the result of an intentional, conscious, and
9 voluntary course of action.

10 **Sec. 203.** RCW 69.50.357 and 2015 c 70 s 12 are each amended to
11 read as follows:

12 (1) Retail outlets (~~shall sell no~~) may not sell products or
13 services other than marijuana concentrates, useable marijuana,
14 marijuana-infused products, or paraphernalia intended for the storage
15 or use of marijuana concentrates, useable marijuana, or marijuana-
16 infused products.

17 (2) Licensed marijuana retailers (~~shall~~) may not employ persons
18 under twenty-one years of age or allow persons under twenty-one years
19 of age to enter or remain on the premises of a retail outlet.
20 However, qualifying patients between eighteen and twenty-one years of
21 age with a recognition card may enter and remain on the premises of a
22 retail outlet holding a medical marijuana endorsement and may
23 purchase products for their personal medical use. Qualifying patients
24 who are under the age of eighteen with a recognition card and who
25 accompany their designated providers may enter and remain on the
26 premises of a retail outlet holding a medical marijuana endorsement,
27 but may not purchase products for their personal medical use.

28 (3)(a) Licensed marijuana retailers must ensure that all
29 employees are trained on the rules adopted to implement this chapter,
30 identification of persons under the age of twenty-one, and other
31 requirements adopted by the state liquor and cannabis board to ensure
32 that persons under the age of twenty-one are not permitted to enter
33 or remain on the premises of a retail outlet.

34 (b) Licensed marijuana retailers with a medical marijuana
35 endorsement must ensure that all employees are trained on the
36 subjects required by (a) of this subsection as well as identification
37 of authorizations and recognition cards. Employees must also be
38 trained to permit qualifying patients who hold recognition cards and
39 are between the ages of eighteen and twenty-one to enter the premises

1 and purchase marijuana for their personal medical use and to permit
2 qualifying patients who are under the age of eighteen with a
3 recognition card to enter the premises if accompanied by their
4 designated providers.

5 (4) Licensed marijuana retailers (~~shall~~) may not display any
6 signage (~~in a window, on a door, or on the outside of the premises~~
7 ~~of a retail outlet that is visible to the general public from a~~
8 ~~public right of way, other than a single sign no larger than one~~
9 ~~thousand six hundred square inches identifying the retail outlet by~~
10 ~~the licensee's business or trade name. Retail outlets that hold~~
11 ~~medical marijuana endorsements may include this information on~~
12 ~~signage.~~

13 ~~(5) Licensed marijuana retailers shall not display marijuana~~
14 ~~concentrates, useable marijuana, or marijuana-infused products in a~~
15 ~~manner that is visible to the general public from a public right of~~
16 ~~way.~~

17 ~~(6))~~ outside of the licensed premises, other than two signs
18 identifying the retail outlet by the licensee's business or trade
19 name. Each sign must be no larger than one thousand six hundred
20 square inches, be permanently affixed to a building or other
21 structure, and be posted not less than one thousand feet from any
22 elementary school, secondary school, or playground.

23 (5) No licensed marijuana retailer or employee of a retail outlet
24 (~~shall~~) may open or consume, or allow to be opened or consumed, any
25 marijuana concentrates, useable marijuana, or marijuana-infused
26 product on the outlet premises.

27 (~~(7))~~ (6) The state liquor and cannabis board (~~shall~~) must
28 fine a licensee one thousand dollars for each violation of any
29 subsection of this section. Fines collected under this section must
30 be deposited into the dedicated marijuana (~~fund~~) account created
31 under RCW 69.50.530.

32 **Sec. 204.** RCW 69.50.369 and 2013 c 3 s 18 are each amended to
33 read as follows:

34 (1) No licensed marijuana producer, processor, researcher, or
35 retailer (~~shall~~) may place or maintain, or cause to be placed or
36 maintained, an advertisement of marijuana, useable marijuana,
37 marijuana concentrates, or a marijuana-infused product in any form or
38 through any medium whatsoever:

1 (a) Within one thousand feet of the perimeter of a school
2 grounds, playground, recreation center or facility, child care
3 center, public park, or library, or any game arcade admission to
4 which is not restricted to persons aged twenty-one years or older;

5 (b) On or in a public transit vehicle or public transit shelter;
6 or

7 (c) On or in a publicly owned or operated property.

8 (2) Merchandising within a retail outlet is not advertising for
9 the purposes of this section.

10 (3) This section does not apply to a noncommercial message.

11 (4) The state liquor ~~((control))~~ and cannabis board ~~((shall))~~
12 must fine a licensee one thousand dollars for each violation of
13 subsection (1) of this section. Fines collected under this subsection
14 must be deposited into the dedicated marijuana ~~((fund))~~ account
15 created under RCW 69.50.530.

16 **Sec. 205.** RCW 69.50.535 and 2014 c 192 s 7 are each amended to
17 read as follows:

18 ~~((There is levied and collected a marijuana excise tax equal
19 to twenty-five percent of the selling price on each wholesale sale in
20 this state of marijuana by a licensed marijuana producer to a
21 licensed marijuana processor or another licensed marijuana producer.
22 This tax is the obligation of the licensed marijuana producer.~~

23 ~~((2) There is levied and collected a marijuana excise tax equal to
24 twenty-five percent of the selling price on each wholesale sale in
25 this state of marijuana concentrates, useable marijuana, and
26 marijuana-infused products by a licensed marijuana processor to a
27 licensed marijuana retailer. This tax is the obligation of the
28 licensed marijuana processor.~~

29 ~~((3))~~ (a) There is levied and collected a marijuana excise tax
30 equal to ~~((twenty-five))~~ thirty-seven percent of the selling price on
31 each retail sale in this state of marijuana concentrates, useable
32 marijuana, and marijuana-infused products. This tax is ~~((the
33 obligation of the licensed marijuana retailer, is))~~ separate and in
34 addition to general state and local sales and use taxes that apply to
35 retail sales of tangible personal property, and is not part of the
36 total retail price to which general state and local sales and use
37 taxes apply. The tax must be separately itemized from the state and
38 local retail sales tax on the sales receipt provided to the buyer.

1 (b) The tax levied in this section must be reflected in the price
2 list or quoted shelf price in the licensed marijuana retail store and
3 in any advertising that includes prices for all useable marijuana,
4 marijuana concentrates, or marijuana-infused products.

5 ~~((4))~~ (2) All revenues collected from the marijuana excise
6 ~~((taxes))~~ tax imposed under ~~((subsections (1) through (3) of))~~ this
7 section ~~((shall))~~ must be deposited each day in ~~((a depository~~
8 ~~approved by the state treasurer and transferred to the state~~
9 ~~treasurer to be credited to))~~ the dedicated marijuana ~~((fund))~~
10 account.

11 ~~((5))~~ (3) The ~~((state liquor control board shall))~~ tax imposed
12 in this section must be paid by the buyer to the seller. Each seller
13 must collect from the buyer the full amount of the tax payable on
14 each taxable sale. The tax collected as required by this section is
15 deemed to be held in trust by the seller until paid to the board. If
16 any seller fails to collect the tax imposed in this section or,
17 having collected the tax, fails to pay it as prescribed by the board,
18 whether such failure is the result of the seller's own acts or the
19 result of acts or conditions beyond the seller's control, the seller
20 is, nevertheless, personally liable to the state for the amount of
21 the tax.

22 (4) The definitions in this subsection apply throughout this
23 section unless the context clearly requires otherwise.

24 (a) "Board" means the state liquor and cannabis board.

25 (b) "Retail sale" has the same meaning as in RCW 82.08.010.

26 (c) "Selling price" has the same meaning as in RCW 82.08.010,
27 except that when product is sold under circumstances where the total
28 amount of consideration paid for the product is not indicative of its
29 true value, "selling price" means the true value of the product sold.

30 (d) "Product" means marijuana, marijuana concentrates, useable
31 marijuana, and marijuana-infused products.

32 (e) "True value" means market value based on sales at comparable
33 locations in this state of the same or similar product of like
34 quality and character sold under comparable conditions of sale to
35 comparable purchasers. However, in the absence of such sales of the
36 same or similar product, true value means the value of the product
37 sold as determined by all of the seller's direct and indirect costs
38 attributable to the product.

39 (5)(a) The board must regularly review the tax level ~~((s))~~
40 established under this section and make recommendations, in

1 consultation with the department of revenue, to the legislature as
2 appropriate regarding adjustments that would further the goal of
3 discouraging use while undercutting illegal market prices.

4 (b) The state liquor and cannabis board must report, in
5 compliance with RCW 43.01.036, to the appropriate committees of the
6 legislature every two years. The report at a minimum must include the
7 following:

8 (i) The specific recommendations required under (a) of this
9 subsection;

10 (ii) A comparison of gross sales and tax collections prior to and
11 after any marijuana tax change;

12 (iii) The increase or decrease in the volume of legal marijuana
13 sold prior to and after any marijuana tax change;

14 (iv) Increases or decreases in the number of licensed marijuana
15 producers, processors, and retailers;

16 (v) The number of illegal and noncompliant marijuana outlets the
17 board requires to be closed;

18 (vi) Gross marijuana sales and tax collections in Oregon; and

19 (vii) The total amount of reported sales and use taxes exempted
20 for qualifying patients. The department of revenue must provide the
21 data of exempt amounts to the board.

22 (c) The board is not required to report to the legislature as
23 required in (b) of this subsection after January 1, 2025.

24 (6) The legislature does not intend and does not authorize any
25 person or entity to engage in activities or to conspire to engage in
26 activities that would constitute per se violations of state and
27 federal antitrust laws including, but not limited to, agreements
28 among retailers as to the selling price of any goods sold.

29 **Sec. 206.** RCW 69.50.540 and 2013 c 3 s 28 are each amended to
30 read as follows:

31 ~~((All marijuana excise taxes collected from sales of marijuana,~~
32 ~~useable marijuana, and marijuana infused products under RCW~~
33 ~~69.50.535, and the license fees, penalties, and forfeitures derived~~
34 ~~under chapter 3, Laws of 2013 from marijuana producer, marijuana~~
35 ~~processor, and marijuana retailer licenses shall every three months~~
36 ~~be disbursed by the state liquor control board as follows:~~

37 ~~(1))~~ The legislature must annually appropriate moneys in the
38 dedicated marijuana account created in RCW 69.50.530 as follows:

1 (1) For the purposes listed in this subsection (1), the
2 legislature must appropriate to the respective agencies amounts
3 sufficient to make the following expenditures on a quarterly basis:

4 (a) One hundred twenty-five thousand dollars to the department of
5 social and health services to design and administer the Washington
6 state healthy youth survey, analyze the collected data, and produce
7 reports, in collaboration with the office of the superintendent of
8 public instruction, department of health, department of commerce,
9 family policy council, and state liquor (~~control~~) and cannabis
10 board. The survey (~~shall~~) must be conducted at least every two
11 years and include questions regarding, but not necessarily limited
12 to, academic achievement, age at time of substance use initiation,
13 antisocial behavior of friends, attitudes toward antisocial behavior,
14 attitudes toward substance use, laws and community norms regarding
15 antisocial behavior, family conflict, family management, parental
16 attitudes toward substance use, peer rewarding of antisocial
17 behavior, perceived risk of substance use, and rebelliousness. Funds
18 disbursed under this subsection may be used to expand administration
19 of the healthy youth survey to student populations attending
20 institutions of higher education in Washington;

21 ~~((+2))~~ (b) Fifty thousand dollars to the department of social
22 and health services for the purpose of contracting with the
23 Washington state institute for public policy to conduct the cost-
24 benefit evaluation and produce the reports described in RCW
25 69.50.550. This appropriation (~~shall~~) ends after production of the
26 final report required by RCW 69.50.550;

27 ~~((+3))~~ (c) Five thousand dollars to the University of Washington
28 alcohol and drug abuse institute for the creation, maintenance, and
29 timely updating of web-based public education materials providing
30 medically and scientifically accurate information about the health
31 and safety risks posed by marijuana use;

32 ~~((+4))~~ (d) An amount not (~~exceeding~~) less than one million two
33 hundred fifty thousand dollars to the state liquor (~~control board as~~
34 is necessary for administration of chapter 3, Laws of 2013;

35 ~~(5) Of the funds remaining after the disbursements identified in~~
36 ~~subsections (1) through (4) of this section)) and cannabis board for~~
37 administration of this chapter as appropriated in the omnibus
38 appropriations act;

39 (e) Twenty-three thousand seven hundred fifty dollars to the
40 department of enterprise services provided solely for the state

1 building code council established under RCW 19.27.070, to develop and
2 adopt fire and building code provisions related to marijuana
3 processing and extraction facilities. The distribution under this
4 subsection (1)(e) is for fiscal year 2016 only;

5 (2) From the amounts in the dedicated marijuana account after
6 appropriation of the amounts identified in subsection (1) of this
7 section, the legislature must appropriate for the purposes listed in
8 this subsection (2) as follows:

9 (a) (~~Fifteen percent~~) (i) Up to fifteen percent, but at least
10 one million five hundred fifty thousand dollars annually, to the
11 department of social and health services division of behavioral
12 health and recovery for (~~implementation and maintenance~~) the
13 development, implementation, maintenance, and evaluation of programs
14 and practices aimed at the prevention or reduction of maladaptive
15 substance use, substance-use disorder, substance abuse or substance
16 dependence, as these terms are defined in the Diagnostic and
17 Statistical Manual of Mental Disorders, among middle school and high
18 school age students, whether as an explicit goal of a given program
19 or practice or as a consistently corresponding effect of its
20 implementation, mental health services for children and youth, and
21 services for pregnant and parenting women; PROVIDED, That:

22 (~~(i)~~) (A) Of the funds (~~disbursed~~) appropriated under (a)(i)
23 of this subsection for new programs and new services, at least
24 eighty-five percent must be directed to evidence-based (~~and cost-~~
25 ~~beneficial~~) or research-based programs and practices that produce
26 objectively measurable results and, by September 1, 2020, are cost-
27 beneficial; and

28 (~~(ii)~~) (B) Up to fifteen percent of the funds (~~disbursed~~)
29 appropriated under (a)(i) of this subsection for new programs and new
30 services may be directed to (~~research-based and~~) proven and tested
31 practices, emerging best practices, or promising practices.

32 (ii) In deciding which programs and practices to fund, the
33 secretary of the department of social and health services (~~shall~~)
34 must consult, at least annually, with the University of Washington's
35 social development research group and the University of Washington's
36 alcohol and drug abuse institute;

37 (b) (~~Ten percent~~) Up to ten percent, but at least eight million
38 dollars annually, to the department of health for the following:

1 (i) Creation, implementation, operation, and management of a
2 marijuana education and public health program that contains the
3 following:

4 ~~((+i))~~ (A) A marijuana use public health hotline that provides
5 referrals to substance abuse treatment providers, utilizes evidence-
6 based or research-based public health approaches to minimizing the
7 harms associated with marijuana use, and does not solely advocate an
8 abstinence-only approach;

9 ~~((+ii))~~ (B) A grants program for local health departments or
10 other local community agencies that supports development and
11 implementation of coordinated intervention strategies for the
12 prevention and reduction of marijuana use by youth; and

13 ~~((+iii))~~ (C) Media-based education campaigns across television,
14 internet, radio, print, and out-of-home advertising, separately
15 targeting youth and adults, that provide medically and scientifically
16 accurate information about the health and safety risks posed by
17 marijuana use; and

18 (ii) The Washington poison control center;

19 ~~((Six-tenths of one percent to the University of Washington~~
20 ~~and four-tenths of one percent))~~ Up to six-tenths of one percent, but
21 at least two hundred six thousand dollars annually to the University
22 of Washington, and up to four-tenths of one percent, but at least one
23 hundred thirty-eight thousand dollars annually, to Washington State
24 University for research on the short and long-term effects of
25 marijuana use, to include but not be limited to formal and informal
26 methods for estimating and measuring intoxication and impairment, and
27 for the dissemination of such research;

28 ~~((Fifty percent to the state basic health plan trust~~
29 ~~account))~~ Up to fifty percent, but at least seventeen million two
30 hundred nineteen thousand dollars annually, to be administered by the
31 Washington basic health plan administrator and used as provided under
32 chapter 70.47 RCW;

33 ~~((Five percent))~~ Up to five percent, but at least one million
34 seven hundred twenty-two thousand dollars annually, to the Washington
35 state health care authority to be expended exclusively through
36 contracts with community health centers to provide primary health and
37 dental care services, migrant health services, and maternity health
38 care services as provided under RCW 41.05.220;

39 ~~((Three-tenths of one percent))~~ Up to three-tenths of one
40 percent, but at least one hundred three thousand dollars annually, to

1 the office of the superintendent of public instruction to fund grants
2 to building bridges programs under chapter 28A.175 RCW; (~~and~~)

3 ~~(g) ((The remainder to the general fund.))~~ Up to one million
4 eight hundred thousand dollars annually to the department of commerce
5 provided solely for community mobilization purposes as identified in
6 RCW 43.270.020, subject to the amounts appropriated by the
7 legislature for this purpose; and

8 (h) At the end of each fiscal year, the treasurer must transfer
9 any amounts in the dedicated marijuana account that are not
10 appropriated pursuant to subsection (1) of this section and this
11 subsection (2) into the general fund, except as provided in (h)(i) of
12 this subsection (2).

13 (i) Beginning in fiscal year 2018 and each year thereafter, if
14 marijuana excise tax collections deposited into the general fund in
15 the prior fiscal year exceed twenty-five million dollars, then each
16 fiscal year the legislature must appropriate an amount equal to
17 thirty percent of all marijuana excise taxes deposited into the
18 general fund the prior fiscal year to the treasurer for distribution
19 to counties, cities, and towns as follows:

20 (A) Thirty percent must be distributed to counties, cities, and
21 towns where licensed marijuana retailers are physically located. Each
22 jurisdiction must receive a share of the revenue distribution under
23 this subsection (2)(h)(i)(A) based on the proportional share of the
24 total revenues generated in the individual jurisdiction from the
25 taxes collected under RCW 69.50.535, from licensed marijuana
26 retailers physically located in each jurisdiction. For purposes of
27 this subsection (2)(h)(i)(A), one hundred percent of the proportional
28 amount attributed to a retailer physically located in a city or town
29 must be distributed to the city or town.

30 (B) Seventy percent must be distributed to counties, cities, and
31 towns ratably on a per capita basis. Counties must receive sixty
32 percent of the distribution, which shall be disbursed based on each
33 county's total proportional population, including the population
34 within incorporated cities and towns, and cities and towns must
35 receive forty percent of this distribution, which must be based on
36 each city or town's total proportional population. Funds may only be
37 distributed to jurisdictions that do not prohibit the siting of any
38 state licensed marijuana producer, processor, or retailer; except for
39 counties that prohibit the siting of any state licensed marijuana
40 producer, processor, or retailer, but have cities or towns within the

1 county which contain marijuana retail stores, such counties must
2 receive twenty percent of the funds they would otherwise receive if
3 they did not prohibit the siting of marijuana producers, processors,
4 or retailers. The funds forfeited by a county prohibiting the siting
5 of any state licensed marijuana producer, processor, or retailer must
6 be disbursed to the other counties on a per capita basis using each
7 county's total proportional population, including the population
8 within incorporated cities and towns.

9 (ii) Distribution amounts allocated to each county, city, and
10 town must be distributed in four installments by the last day of each
11 fiscal quarter.

12 (iii) By September 15th of each year, the state liquor and
13 cannabis board must provide the state treasurer the annual
14 distribution amount, if any, for each county and city as determined
15 in (h)(i) of this subsection (2).

16 (iv) The total share of marijuana excise tax revenues distributed
17 to counties and cities in (h)(i) of this subsection (2) may not
18 exceed fifteen million dollars per fiscal year through June 30, 2019,
19 and may not exceed twenty million dollars per fiscal year thereafter.

20 For the purposes of this section, "marijuana products" means
21 "useable marijuana," "marijuana concentrates," and "marijuana-infused
22 products" as those terms are defined in RCW 69.50.101.

23 NEW SECTION. Sec. 207. A new section is added to chapter 82.08
24 RCW to read as follows:

25 (1) Beginning July 1, 2016, the tax levied by RCW 82.08.020 does
26 not apply to:

27 (a) Sales of marijuana concentrates, useable marijuana, or
28 marijuana-infused products, identified by the department of health
29 under RCW 69.50.--- (section 10, chapter 70, Laws of 2015) to be
30 beneficial for medical use, by marijuana retailers with medical
31 marijuana endorsements to qualifying patients or designated providers
32 who have been issued recognition cards;

33 (b) Sales of products containing THC with a THC concentration of
34 0.3 percent or less to qualifying patients or designated providers
35 who have been issued recognition cards by marijuana retailers with
36 medical marijuana endorsements;

37 (c) Sales of marijuana concentrates, useable marijuana, or
38 marijuana-infused products, identified by the department of health
39 under RCW 69.50.--- (section 10, chapter 70, Laws of 2015) to have a

1 low THC, high CBD ratio, and to be beneficial for medical use, by
2 marijuana retailers with medical marijuana endorsements, to any
3 person;

4 (d) Sales of topical, noningestible products containing THC with
5 a THC concentration of 0.3 percent or less by health care
6 professionals under RCW 69.51A.--- (section 35, chapter 70, Laws of
7 2015);

8 (e)(i) Marijuana, marijuana concentrates, useable marijuana,
9 marijuana-infused products, or products containing THC with a THC
10 concentration of 0.3 percent or less produced by a cooperative and
11 provided to its members; and

12 (ii) Any nonmonetary resources and labor contributed by an
13 individual member of the cooperative in which the individual is a
14 member. However, nothing in this subsection (1)(e) may be construed
15 to exempt the individual members of a cooperative from the tax
16 imposed in RCW 82.08.020 on any purchase of property or services
17 contributed to the cooperative.

18 (2) From the effective date of this section until July 1, 2016,
19 the tax levied by RCW 82.08.020 does not apply to sales of marijuana,
20 marijuana concentrates, useable marijuana, marijuana-infused
21 products, or products containing THC with a THC concentration of 0.3
22 percent or less, by collective gardens under RCW 69.51A.085 to
23 qualifying patients or designated providers, if such sales are in
24 compliance with chapter 69.51A RCW.

25 (3) Each seller making exempt sales under subsection (1) or (2)
26 of this section must maintain information establishing eligibility
27 for the exemption in the form and manner required by the department.

28 (4) The department must provide a separate tax reporting line for
29 exemption amounts claimed under this section.

30 (5) The definitions in this subsection apply throughout this
31 section unless the context clearly requires otherwise.

32 (a) "Cooperative" means a cooperative authorized by and operating
33 in compliance with RCW 69.51A.--- (section 26, chapter 70, Laws of
34 2015).

35 (b) "Marijuana retailer with a medical marijuana endorsement"
36 means a marijuana retailer permitted under RCW 69.50.--- (section 10,
37 chapter 70, Laws of 2015) to sell marijuana for medical use to
38 qualifying patients and designated providers.

39 (c) "Products containing THC with a THC concentration of 0.3
40 percent or less" means all products containing THC with a THC

1 concentration not exceeding 0.3 percent and that, when used as
2 intended, are inhalable, ingestible, or absorbable.

3 (d) "THC concentration," "marijuana," "marijuana concentrates,"
4 "useable marijuana," "marijuana retailer," and "marijuana-infused
5 products" have the same meanings as provided in RCW 69.50.101 and the
6 terms "qualifying patients," "designated providers," and "recognition
7 card" have the same meaning as provided in RCW 69.51A.010.

8 NEW SECTION. **Sec. 208.** A new section is added to chapter 82.12
9 RCW to read as follows:

10 (1) From the effective date of this section until July 1, 2016,
11 the provisions of this chapter do not apply to the use of marijuana,
12 marijuana concentrates, useable marijuana, marijuana-infused
13 products, or products containing THC with a THC concentration of 0.3
14 percent or less, by a collective garden under RCW 69.51A.085, and the
15 qualifying patients or designated providers participating in the
16 collective garden, if such use is in compliance with chapter 69.51A
17 RCW.

18 (2) Beginning July 1, 2016, the provisions of this chapter do not
19 apply to:

20 (a) The use of marijuana concentrates, useable marijuana, or
21 marijuana-infused products, identified by the department of health
22 under RCW 69.50.--- (section 10, chapter 70, Laws of 2015) to be
23 beneficial for medical use, by qualifying patients or designated
24 providers who have been issued recognition cards and have obtained
25 such products from a marijuana retailer with a medical marijuana
26 endorsement.

27 (b) The use of products containing THC with a THC concentration
28 of 0.3 percent or less by qualifying patients or designated providers
29 who have been issued recognition cards and have obtained such
30 products from a marijuana retailer with a medical marijuana
31 endorsement.

32 (c)(i) Marijuana retailers with a medical marijuana endorsement
33 with respect to:

34 (A) Marijuana concentrates, useable marijuana, or marijuana-
35 infused products; or

36 (B) Products containing THC with a THC concentration of 0.3
37 percent or less;

38 (ii) The exemption in this subsection (2)(c) applies only if such
39 products are provided at no charge to a qualifying patient or

1 designated provider who has been issued a recognition card. Each such
2 retailer providing such products at no charge must maintain
3 information establishing eligibility for this exemption in the form
4 and manner required by the department.

5 (d) The use of marijuana concentrates, useable marijuana, or
6 marijuana-infused products, identified by the department of health
7 under RCW 69.50.--- (section 10, chapter 70, Laws of 2015) to have a
8 low THC, high CBD ratio, and to be beneficial for medical use,
9 purchased from marijuana retailers with a medical marijuana
10 endorsement.

11 (e) Health care professionals with respect to the use of products
12 containing THC with a THC concentration of 0.3 percent or less
13 provided at no charge by the health care professionals under RCW
14 69.51A.--- (section 35, chapter 70, Laws of 2015). Each health care
15 professional providing such products at no charge must maintain
16 information establishing eligibility for this exemption in the form
17 and manner required by the department.

18 (f) The use of topical, noningestible products containing THC
19 with a THC concentration of 0.3 percent or less by qualifying
20 patients when purchased from or provided at no charge by a health
21 care professional under RCW 69.51A.--- (section 35, chapter 70, Laws
22 of 2015).

23 (g) The use of:

24 (i) Marijuana, marijuana concentrates, useable marijuana,
25 marijuana-infused products, or products containing THC with a THC
26 concentration of 0.3 percent or less, by a cooperative and its
27 members, when produced by the cooperative; and

28 (ii) Any nonmonetary resources and labor by a cooperative when
29 contributed by its members. However, nothing in this subsection
30 (2)(g) may be construed to exempt the individual members of a
31 cooperative from the tax imposed in RCW 82.12.020 on the use of any
32 property or services purchased by the member and contributed to the
33 cooperative.

34 (3) The definitions in section 207 of this act apply to this
35 section.

36 NEW SECTION. **Sec. 209.** The provisions of RCW 82.32.805 and
37 82.32.808(8) do not apply to the exemptions in sections 207 and 208
38 of this act.

1 NEW SECTION. **Sec. 210.** A new section is added to chapter 69.50
2 RCW to read as follows:

3 (1)(a) Except as provided in (b) of this subsection, a retail
4 sale of a bundled transaction that includes marijuana product is
5 subject to the tax imposed under RCW 69.50.535 on the entire selling
6 price of the bundled transaction.

7 (b) If the selling price is attributable to products that are
8 taxable and products that are not taxable under RCW 69.50.535, the
9 portion of the price attributable to the nontaxable products are
10 subject to the tax imposed by RCW 69.50.535 unless the seller can
11 identify by reasonable and verifiable standards the portion that is
12 not subject to tax from its books and records that are kept in the
13 regular course of business for other purposes including, but not
14 limited to, nontax purposes.

15 (2) The definitions in this subsection apply throughout this
16 section unless the context clearly requires otherwise.

17 (a) "Bundled transaction" means:

18 (i) The retail sale of two or more products where the products
19 are otherwise distinct and identifiable, are sold for one nonitemized
20 price, and at least one product is a marijuana product subject to the
21 tax under RCW 69.50.535; and

22 (ii) A marijuana product provided free of charge with the
23 required purchase of another product. A marijuana product is provided
24 free of charge if the sales price of the product purchased does not
25 vary depending on the inclusion of the marijuana product provided
26 free of charge.

27 (b) "Distinct and identifiable products" does not include
28 packaging such as containers, boxes, sacks, bags, and bottles, or
29 materials such as wrapping, labels, tags, and instruction guides,
30 that accompany the retail sale of the products and are incidental or
31 immaterial to the retail sale thereof. Examples of packaging that are
32 incidental or immaterial include grocery sacks, shoeboxes, and dry
33 cleaning garment bags.

34 (c) "Marijuana product" means "useable marijuana," "marijuana
35 concentrates," and "marijuana-infused products" as defined in RCW
36 69.50.101.

37 (d) "Selling price" has the same meaning as in RCW 82.08.010,
38 except that when product is sold under circumstances where the total
39 amount of consideration paid for the product is not indicative of its
40 true value, "selling price" means the true value of the product sold.

1 (e) "True value" means market value based on sales at comparable
2 locations in this state of the same or similar product of like
3 quality and character sold under comparable conditions of sale to
4 comparable purchasers. However, in the absence of such sales of the
5 same or similar product, "true value" means the value of the product
6 sold as determined by all of the seller's direct and indirect costs
7 attributable to the product.

8 NEW SECTION. **Sec. 211.** A new section is added to chapter 69.50
9 RCW to read as follows:

10 (1) Marijuana producers, processors, and retailers are prohibited
11 from making sales of any marijuana or marijuana product, if the sale
12 of the marijuana or marijuana product is conditioned upon the buyer's
13 purchase of any service or nonmarijuana product. This subsection
14 applies whether the buyer purchases such service or nonmarijuana
15 product at the time of sale of the marijuana or marijuana product, or
16 in a separate transaction.

17 (2) The definitions in this subsection apply throughout this
18 section unless the context clearly requires otherwise.

19 (a) "Marijuana product" means "useable marijuana," "marijuana
20 concentrates," and "marijuana-infused products," as those terms are
21 defined in RCW 69.50.101.

22 (b) "Nonmarijuana product" includes paraphernalia, promotional
23 items, lighters, bags, boxes, containers, and such other items as may
24 be identified by the state liquor and cannabis board.

25 (c) "Selling price" has the same meaning as in RCW 69.50.535.

26 (d) "Service" includes memberships and any other services
27 identified by the state liquor and cannabis board.

28 **PART III**

29 **Marijuana Business: Buffers and Licensee Residency**

30 NEW SECTION. **Sec. 301.** (1) The legislature finds that licensing
31 of marijuana producer and processor businesses within an area zoned
32 for residential use or an area zoned for rural use with a minimum lot
33 size of five acres creates a public nuisance, lowers property values,
34 and increases the risk of criminal activity. The impacts of these
35 businesses greatly affects the economic value of the neighboring
36 properties through many factors, such as increased traffic and the

1 potential for increased criminal activity, including trespassing,
2 theft, and acts of physical violence.

3 (2) The legislature finds that locating and relocating these
4 businesses in other areas more suitable for producing marijuana and
5 processing marijuana, useable marijuana, marijuana concentrates, and
6 marijuana-infused products poses a smaller cost on society than to
7 allow the businesses to diminish the public health, safety, and
8 welfare of the neighboring residential and rural properties. The
9 legislature also finds that the newly prohibited areas have other
10 economically viable or beneficial uses and are not diminished in
11 value by this act, and in many of these instances this act may
12 increase the value of the properties in question.

13 **Sec. 302.** RCW 69.50.331 and 2015 c 70 s 6 are each amended to
14 read as follows:

15 (1) For the purpose of considering any application for a license
16 to produce, process, research, transport, or deliver marijuana,
17 useable marijuana, marijuana concentrates, or marijuana-infused
18 products subject to the regulations established under section 502 of
19 this act, or sell marijuana, or for the renewal of a license to
20 produce, process, research, transport, or deliver marijuana, useable
21 marijuana, marijuana concentrates, or marijuana-infused products
22 subject to the regulations established under section 502 of this act,
23 or sell marijuana, the state liquor and cannabis board must conduct a
24 comprehensive, fair, and impartial evaluation of the applications
25 timely received.

26 (a) The state liquor and cannabis board must develop a
27 competitive, merit-based application process that includes, at a
28 minimum, the opportunity for an applicant to demonstrate experience
29 and qualifications in the marijuana industry. The state liquor and
30 cannabis board (~~shall~~) must give preference between competing
31 applications in the licensing process to applicants that have the
32 following experience and qualifications, in the following order of
33 priority:

34 (i) First priority is given to applicants who:

35 (A) Applied to the state liquor and cannabis board for a
36 marijuana retailer license prior to July 1, 2014;

37 (B) Operated or were employed by a collective garden before
38 January 1, 2013;

1 (C) Have maintained a state business license and a municipal
2 business license, as applicable in the relevant jurisdiction; and

3 (D) Have had a history of paying all applicable state taxes and
4 fees;

5 (ii) Second priority (~~shall~~) must be given to applicants who:

6 (A) Operated or were employed by a collective garden before
7 January 1, 2013;

8 (B) Have maintained a state business license and a municipal
9 business license, as applicable in the relevant jurisdiction; and

10 (C) Have had a history of paying all applicable state taxes and
11 fees; and

12 (iii) Third priority (~~shall~~) must be given to all other
13 applicants who do not have the experience and qualifications
14 identified in (a)(i) and (ii) of this subsection.

15 (b) The state liquor and cannabis board may cause an inspection
16 of the premises to be made, and may inquire into all matters in
17 connection with the construction and operation of the premises. For
18 the purpose of reviewing any application for a license and for
19 considering the denial, suspension, revocation, or renewal or denial
20 thereof, of any license, the state liquor and cannabis board may
21 consider any prior criminal conduct of the applicant including an
22 administrative violation history record with the state liquor and
23 cannabis board and a criminal history record information check. The
24 state liquor and cannabis board may submit the criminal history
25 record information check to the Washington state patrol and to the
26 identification division of the federal bureau of investigation in
27 order that these agencies may search their records for prior arrests
28 and convictions of the individual or individuals who filled out the
29 forms. The state liquor and cannabis board (~~shall~~) must require
30 fingerprinting of any applicant whose criminal history record
31 information check is submitted to the federal bureau of
32 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A
33 RCW (~~shall~~) do not apply to these cases. Subject to the provisions
34 of this section, the state liquor and cannabis board may, in its
35 discretion, grant or deny the renewal or license applied for. Denial
36 may be based on, without limitation, the existence of chronic illegal
37 activity documented in objections submitted pursuant to subsections
38 (7)(c) and (~~(9)~~) (10) of this section. Authority to approve an
39 uncontested or unopposed license may be granted by the state liquor
40 and cannabis board to any staff member the board designates in

1 writing. Conditions for granting this authority (~~shall~~) must be
2 adopted by rule.

3 (c) No license of any kind may be issued to:

4 (i) A person under the age of twenty-one years;

5 (ii) A person doing business as a sole proprietor who has not
6 lawfully resided in the state for at least three months prior to
7 applying to receive a license;

8 (iii) A partnership, employee cooperative, association, nonprofit
9 corporation, or corporation unless formed under the laws of this
10 state, and unless all of the members thereof are qualified to obtain
11 a license as provided in this section; or

12 (iv) A person whose place of business is conducted by a manager
13 or agent, unless the manager or agent possesses the same
14 qualifications required of the licensee.

15 (2)(a) The state liquor and cannabis board may, in its
16 discretion, subject to the provisions of RCW 69.50.334, suspend or
17 cancel any license; and all protections of the licensee from criminal
18 or civil sanctions under state law for producing, processing, or
19 selling marijuana, useable marijuana, or marijuana-infused products
20 thereunder shall be suspended or terminated, as the case may be.

21 (b) The state liquor and cannabis board (~~shall~~) must
22 immediately suspend the license of a person who has been certified
23 pursuant to RCW 74.20A.320 by the department of social and health
24 services as a person who is not in compliance with a support order.
25 If the person has continued to meet all other requirements for
26 reinstatement during the suspension, reissuance of the license
27 (~~shall be~~) is automatic upon the state liquor and cannabis board's
28 receipt of a release issued by the department of social and health
29 services stating that the licensee is in compliance with the order.

30 (c) The state liquor and cannabis board may request the
31 appointment of administrative law judges under chapter 34.12 RCW who
32 shall have power to administer oaths, issue subpoenas for the
33 attendance of witnesses and the production of papers, books,
34 accounts, documents, and testimony, examine witnesses, and to receive
35 testimony in any inquiry, investigation, hearing, or proceeding in
36 any part of the state, under rules and regulations the state liquor
37 and cannabis board may adopt.

38 (d) Witnesses (~~shall~~) must be allowed fees and mileage each way
39 to and from any inquiry, investigation, hearing, or proceeding at the
40 rate authorized by RCW 34.05.446. Fees need not be paid in advance of

1 appearance of witnesses to testify or to produce books, records, or
2 other legal evidence.

3 (e) In case of disobedience of any person to comply with the
4 order of the state liquor and cannabis board or a subpoena issued by
5 the state liquor and cannabis board, or any of its members, or
6 administrative law judges, or on the refusal of a witness to testify
7 to any matter regarding which he or she may be lawfully interrogated,
8 the judge of the superior court of the county in which the person
9 resides, on application of any member of the board or administrative
10 law judge, (~~shall~~) compels obedience by contempt proceedings, as in
11 the case of disobedience of the requirements of a subpoena issued
12 from said court or a refusal to testify therein.

13 (3) Upon receipt of notice of the suspension or cancellation of a
14 license, the licensee (~~shall~~) must forthwith deliver up the license
15 to the state liquor and cannabis board. Where the license has been
16 suspended only, the state liquor and cannabis board (~~shall~~) must
17 return the license to the licensee at the expiration or termination
18 of the period of suspension. The state liquor and cannabis board
19 (~~shall~~) must notify all other licensees in the county where the
20 subject licensee has its premises of the suspension or cancellation
21 of the license; and no other licensee or employee of another licensee
22 may allow or cause any marijuana, marijuana concentrates, useable
23 marijuana, or marijuana-infused products to be delivered to or for
24 any person at the premises of the subject licensee.

25 (4) Every license issued under chapter 3, Laws of 2013 (~~shall~~
26 ~~be~~) is subject to all conditions and restrictions imposed by chapter
27 3, Laws of 2013 or by rules adopted by the state liquor and cannabis
28 board to implement and enforce chapter 3, Laws of 2013. All
29 conditions and restrictions imposed by the state liquor and cannabis
30 board in the issuance of an individual license (~~shall~~) must be
31 listed on the face of the individual license along with the trade
32 name, address, and expiration date.

33 (5) Every licensee (~~shall~~) must post and keep posted its
34 license, or licenses, in a conspicuous place on the premises.

35 (6) No licensee (~~shall~~) may employ any person under the age of
36 twenty-one years.

37 (7)(a) Before the state liquor and cannabis board issues a new or
38 renewed license to an applicant it (~~shall~~) must give notice of the
39 application to the chief executive officer of the incorporated city
40 or town, if the application is for a license within an incorporated

1 city or town, or to the county legislative authority, if the
2 application is for a license outside the boundaries of incorporated
3 cities or towns.

4 (b) The incorporated city or town through the official or
5 employee selected by it, or the county legislative authority or the
6 official or employee selected by it, (~~shall have~~) has the right to
7 file with the state liquor and cannabis board within twenty days
8 after the date of transmittal of the notice for applications, or at
9 least thirty days prior to the expiration date for renewals, written
10 objections against the applicant or against the premises for which
11 the new or renewed license is asked. The state liquor and cannabis
12 board may extend the time period for submitting written objections.

13 (c) The written objections (~~shall~~) must include a statement of
14 all facts upon which the objections are based, and in case written
15 objections are filed, the city or town or county legislative
16 authority may request, and the state liquor and cannabis board may in
17 its discretion hold, a hearing subject to the applicable provisions
18 of Title 34 RCW. If the state liquor and cannabis board makes an
19 initial decision to deny a license or renewal based on the written
20 objections of an incorporated city or town or county legislative
21 authority, the applicant may request a hearing subject to the
22 applicable provisions of Title 34 RCW. If a hearing is held at the
23 request of the applicant, state liquor and cannabis board
24 representatives (~~shall~~) must present and defend the state liquor
25 and cannabis board's initial decision to deny a license or renewal.

26 (d) Upon the granting of a license under this title the state
27 liquor and cannabis board (~~shall~~) must send written notification to
28 the chief executive officer of the incorporated city or town in which
29 the license is granted, or to the county legislative authority if the
30 license is granted outside the boundaries of incorporated cities or
31 towns.

32 (8)(a) Except as provided in (b) through (d) of this subsection,
33 the state liquor and cannabis board (~~shall~~) may not issue a license
34 for any premises within one thousand feet of the perimeter of the
35 grounds of any elementary or secondary school, playground, recreation
36 center or facility, child care center, public park, public transit
37 center, or library, or any game arcade admission to which is not
38 restricted to persons aged twenty-one years or older.

39 (b) A city, county, or town may permit the licensing of premises
40 within one thousand feet but not less than one hundred feet of the

1 facilities described in (a) of this subsection, except elementary
2 schools, secondary schools, and playgrounds, by enacting an ordinance
3 authorizing such distance reduction, provided that such distance
4 reduction will not negatively impact the jurisdiction's civil
5 regulatory enforcement, criminal law enforcement interests, public
6 safety, or public health.

7 (c) A city, county, or town may permit the licensing of research
8 premises allowed under RCW 69.50.--- (section 1, chapter 71, Laws of
9 2015) within one thousand feet but not less than one hundred feet of
10 the facilities described in (a) of this subsection by enacting an
11 ordinance authorizing such distance reduction, provided that the
12 ordinance will not negatively impact the jurisdiction's civil
13 regulatory enforcement, criminal law enforcement, public safety, or
14 public health.

15 (d) The state liquor and cannabis board may license premises
16 located in compliance with the distance requirements set in an
17 ordinance adopted under (b) or (c) of this subsection. Before issuing
18 or renewing a research license for premises within one thousand feet
19 but not less than one hundred feet of an elementary school, secondary
20 school, or playground in compliance with an ordinance passed pursuant
21 to (c) of this subsection, the board must ensure that the facility:

22 (i) Meets a security standard exceeding that which applies to
23 marijuana producer, processor, or retailer licensees;

24 (ii) Is inaccessible to the public and no part of the operation
25 of the facility is in view of the general public; and

26 (iii) Bears no advertising or signage indicating that it is a
27 marijuana research facility.

28 (9) The state liquor and cannabis board may not issue a marijuana
29 producer or marijuana processor license for any premises located
30 within an area zoned for residential use or an area zoned for rural
31 use with a minimum lot size of five acres.

32 (10) In determining whether to grant or deny a license or renewal
33 of any license, the state liquor and cannabis board (~~shall~~) must
34 give substantial weight to objections from an incorporated city or
35 town or county legislative authority based upon chronic illegal
36 activity associated with the applicant's operations of the premises
37 proposed to be licensed or the applicant's operation of any other
38 licensed premises, or the conduct of the applicant's patrons inside
39 or outside the licensed premises. "Chronic illegal activity" means
40 (a) a pervasive pattern of activity that threatens the public health,

1 safety, and welfare of the city, town, or county including, but not
2 limited to, open container violations, assaults, disturbances,
3 disorderly conduct, or other criminal law violations, or as
4 documented in crime statistics, police reports, emergency medical
5 response data, calls for service, field data, or similar records of a
6 law enforcement agency for the city, town, county, or any other
7 municipal corporation or any state agency; or (b) an unreasonably
8 high number of citations for violations of RCW 46.61.502 associated
9 with the applicant's or licensee's operation of any licensed premises
10 as indicated by the reported statements given to law enforcement upon
11 arrest.

12 **PART IV**

13 **Consumption of Marijuana in a Public Place**

14 **Sec. 401.** RCW 69.50.445 and 2013 c 3 s 21 are each amended to
15 read as follows:

16 (1) It is unlawful to open a package containing marijuana,
17 useable marijuana, ((~~or a~~)) marijuana-infused products, or marijuana
18 concentrates, or consume marijuana, useable marijuana, ((~~or a~~))
19 marijuana-infused products, or marijuana concentrates, in view of the
20 general public or in a public place.

21 (2) For the purposes of this section, "public place" has the same
22 meaning as defined in RCW 66.04.010, but the exclusions in RCW
23 66.04.011 do not apply.

24 (3) A person who violates this section is guilty of a class 3
25 civil infraction under chapter 7.80 RCW.

26 **PART V**

27 **Transportation of Marijuana Products**

28 NEW SECTION. **Sec. 501.** A new section is added to chapter 69.50
29 RCW to read as follows:

30 (1) A licensed marijuana producer, marijuana processor, marijuana
31 researcher, or marijuana retailer, or their employees, in accordance
32 with the requirements of this chapter and the administrative rules
33 adopted thereunder, may use the services of a common carrier subject
34 to regulation under chapters 81.28 and 81.29 RCW and licensed in
35 compliance with the regulations established under section 502 of this
36 act, to physically transport or deliver marijuana, useable marijuana,

1 marijuana concentrates, and marijuana-infused products between
2 licensed marijuana businesses located within the state.

3 (2) An employee of a common carrier engaged in marijuana-related
4 transportation or delivery services authorized under subsection (1)
5 of this section is prohibited from carrying or using a firearm during
6 the course of providing such services, unless:

7 (a) Pursuant to section 502 of this act, the state liquor and
8 cannabis board explicitly authorizes the carrying or use of firearms
9 by such employee while engaged in the transportation or delivery
10 services;

11 (b) The employee has an armed private security guard license
12 issued pursuant to RCW 18.170.040; and

13 (c) The employee is in full compliance with the regulations
14 established by the state liquor and cannabis board under section 502
15 of this act.

16 (3) A common carrier licensed under section 502 of this act may,
17 for the purpose of transporting and delivering marijuana, useable
18 marijuana, marijuana concentrates, and marijuana-infused products,
19 utilize Washington state ferry routes for such transportation and
20 delivery.

21 (4) The possession of marijuana, useable marijuana, marijuana
22 concentrates, and marijuana-infused products being physically
23 transported or delivered within the state, in amounts not exceeding
24 those that may be established under section 502(3) of this act, by a
25 licensed employee of a common carrier when performing the duties
26 authorized under, and in accordance with, this section and section
27 502 of this act, is not a violation of this section, this chapter, or
28 any other provision of Washington state law.

29 NEW SECTION. **Sec. 502.** A new section is added to chapter 69.50
30 RCW to read as follows:

31 (1) The state liquor and cannabis board must adopt rules
32 providing for an annual licensing procedure of a common carrier who
33 seeks to transport or deliver marijuana, useable marijuana, marijuana
34 concentrates, and marijuana-infused products within the state.

35 (2) The rules for licensing must:

36 (a) Establish criteria for considering the approval or denial of
37 a common carrier's original application or renewal application;

1 (b) Provide minimum qualifications for any employee authorized to
2 drive or operate the transportation or delivery vehicle, including a
3 minimum age of at least twenty-one years;

4 (c) Address the safety of the employees transporting or
5 delivering the products, including issues relating to the carrying of
6 firearms by such employees;

7 (d) Address the security of the products being transported,
8 including a system of electronically tracking all products at both
9 the point of pickup and the point of delivery; and

10 (e) Set reasonable fees for the application and licensing
11 process.

12 (3) The state liquor and cannabis board may adopt rules
13 establishing the maximum amounts of marijuana, useable marijuana,
14 marijuana concentrates, and marijuana-infused products that may be
15 physically transported or delivered at one time by a common carrier
16 as provided under section 501 of this act.

17 **Sec. 503.** RCW 69.50.4013 and 2015 c 70 s 14 are each amended to
18 read as follows:

19 (1) It is unlawful for any person to possess a controlled
20 substance unless the substance was obtained directly from, or
21 pursuant to, a valid prescription or order of a practitioner while
22 acting in the course of his or her professional practice, or except
23 as otherwise authorized by this chapter.

24 (2) Except as provided in RCW 69.50.4014, any person who violates
25 this section is guilty of a class C felony punishable under chapter
26 9A.20 RCW.

27 (3)(a) The possession, by a person twenty-one years of age or
28 older, of useable marijuana, marijuana concentrates, or marijuana-
29 infused products in amounts that do not exceed those set forth in RCW
30 69.50.360(3) is not a violation of this section, this chapter, or any
31 other provision of Washington state law.

32 (b) The possession of marijuana, useable marijuana, marijuana
33 concentrates, and marijuana-infused products being physically
34 transported or delivered within the state, in amounts not exceeding
35 those that may be established under section 502(3) of this act, by a
36 licensed employee of a common carrier when performing the duties
37 authorized in accordance with sections 501 and 502 of this act, is
38 not a violation of this section, this chapter, or any other provision
39 of Washington state law.

1 (4) No person under twenty-one years of age may possess,
2 manufacture, sell, or distribute marijuana, marijuana-infused
3 products, or marijuana concentrates, regardless of THC concentration.
4 This does not include qualifying patients with a valid authorization.

5 (5) The possession by a qualifying patient or designated provider
6 of marijuana concentrates, useable marijuana, marijuana-infused
7 products, or plants in accordance with chapter 69.51A RCW is not a
8 violation of this section, this chapter, or any other provision of
9 Washington state law.

10 **Sec. 504.** RCW 18.170.020 and 2007 c 154 s 2 are each amended to
11 read as follows:

12 The requirements of this chapter do not apply to:

13 (1) A person who is employed exclusively or regularly by one
14 employer and performs the functions of a private security guard
15 solely in connection with the affairs of that employer, if the
16 employer is not a private security company. However, in accordance
17 with section 501 of this act, an employee engaged in marijuana-
18 related transportation or delivery services on behalf of a common
19 carrier must be licensed as an armed private security guard under
20 this chapter in order to be authorized to carry or use a firearm
21 while providing such services;

22 (2) A sworn peace officer while engaged in the performance of the
23 officer's official duties;

24 (3) A sworn peace officer while employed by any person to engage
25 in off-duty employment as a private security guard, but only if the
26 employment is approved by the chief law enforcement officer of the
27 jurisdiction where the employment takes place and the sworn peace
28 officer does not employ, contract with, or broker for profit other
29 persons to assist him or her in performing the duties related to his
30 or her private employer; or

31 (4)(a) A person performing crowd management or guest services
32 including, but not limited to, a person described as a ticket taker,
33 usher, door attendant, parking attendant, crowd monitor, or event
34 staff who:

35 ((+a)) (i) Does not carry a firearm or other dangerous weapon
36 including, but not limited to, a stun gun, taser, pepper mace, or
37 nightstick;

1 awareness of the health risks associated with alcohol and marijuana
2 consumption by youth and the abuse of alcohol and marijuana by adults
3 in Washington state. The board's alcohol awareness program must
4 cooperate with federal and state agencies, interested organizations,
5 and individuals to effect an active public beverage alcohol awareness
6 program;

7 (7) Monitor and regulate the practices of licensees as necessary
8 in order to prevent the theft and illegal trafficking of liquor
9 pursuant to RCW 66.28.350;

10 (8) Perform all other matters and things, whether similar to the
11 foregoing or not, to carry out the provisions of this title, and has
12 full power to do each and every act necessary to the conduct of its
13 regulatory functions, including all supplies procurement, preparation
14 and approval of forms, and every other undertaking necessary to
15 perform its regulatory functions whatsoever, subject only to audit by
16 the state auditor. However, the board has no authority to regulate
17 the content of spoken language on licensed premises where wine and
18 other liquors are served and where there is not a clear and present
19 danger of disorderly conduct being provoked by such language or to
20 restrict advertising of lawful prices.

21 **PART VII**

22 **Cannabis Health and Beauty Aid Exemption**

23 NEW SECTION. **Sec. 701.** A new section is added to chapter 69.50
24 RCW to read as follows:

25 (1) Cannabis health and beauty aids are not subject to the
26 regulations and penalties of this chapter that apply to marijuana,
27 marijuana concentrates, or marijuana-infused products.

28 (2) For purposes of this section, "cannabis health and beauty
29 aid" means a product containing parts of the cannabis plant and
30 which:

31 (a) Is intended for use only as a topical application to provide
32 therapeutic benefit or to enhance appearance;

33 (b) Contains a THC concentration of not more than 0.3 percent;

34 (c) Does not cross the blood-brain barrier; and

35 (d) Is not intended for ingestion by humans or animals.

36 **PART VIII**

37 **Signage and Public Notice Requirements**

1 NEW SECTION. **Sec. 801.** A new section is added to chapter 69.50
2 RCW to read as follows:

3 (1) Applicants for a marijuana producer's, marijuana processor's,
4 marijuana researcher's or marijuana retailer's license under this
5 chapter must display a sign provided by the state liquor and cannabis
6 board on the outside of the premises to be licensed notifying the
7 public that the premises are subject to an application for such
8 license. The sign must:

9 (a) Contain text with content sufficient to notify the public of
10 the nature of the pending license application, the date of the
11 application, the name of the applicant, and contact information for
12 the state liquor and cannabis board;

13 (b) Be conspicuously displayed on, or immediately adjacent to,
14 the premises subject to the application and in the location that is
15 most likely to be seen by the public;

16 (c) Be of a size sufficient to ensure that it will be readily
17 seen by the public; and

18 (d) Be posted within seven business days of the submission of the
19 application to the state liquor and cannabis board.

20 (2) The state liquor and cannabis board must adopt such rules as
21 are necessary for the implementation of this section, including rules
22 pertaining to the size of the sign and the text thereon, the textual
23 content of the sign, the fee for providing the sign, and any other
24 requirements necessary to ensure that the sign provides adequate
25 notice to the public.

26 (3)(a) A city, town, or county may adopt an ordinance requiring
27 individual notice by an applicant for a marijuana producer's,
28 marijuana processor's, marijuana researcher's, or marijuana
29 retailer's license under this chapter, sixty days prior to issuance
30 of the license, to any elementary or secondary school, playground,
31 recreation center or facility, child care center, church, public
32 park, public transit center, library, or any game arcade admission to
33 which is not restricted to persons aged twenty-one years or older,
34 that is within one thousand feet of the perimeter of the grounds of
35 the establishment seeking licensure. The notice must provide the
36 contact information for the liquor and cannabis board where any of
37 the owners or operators of these entities may submit comments or
38 concerns about the proposed business location.

1 (b) For the purposes of this subsection, "church" means a
2 building erected for and used exclusively for religious worship and
3 schooling or other activity in connection therewith.

4 **PART IX**

5 **Marijuana-Infused Products and Concentrates**

6 **Sec. 901.** RCW 69.50.101 and 2015 c 70 s 4 are each amended to
7 read as follows:

8 ~~((Unless the context clearly requires otherwise, definitions of~~
9 ~~terms shall be as indicated where used in this chapter:)) The
10 definitions in this section apply throughout this chapter unless the
11 context clearly requires otherwise.~~

12 (a) "Administer" means to apply a controlled substance, whether
13 by injection, inhalation, ingestion, or any other means, directly to
14 the body of a patient or research subject by:

15 (1) a practitioner authorized to prescribe (or, by the
16 practitioner's authorized agent); or

17 (2) the patient or research subject at the direction and in the
18 presence of the practitioner.

19 (b) "Agent" means an authorized person who acts on behalf of or
20 at the direction of a manufacturer, distributor, or dispenser. It
21 does not include a common or contract carrier, public
22 warehouseperson, or employee of the carrier or warehouseperson.

23 (c) "Commission" means the pharmacy quality assurance commission.

24 (d) "Controlled substance" means a drug, substance, or immediate
25 precursor included in Schedules I through V as set forth in federal
26 or state laws, or federal or commission rules.

27 (e)(1) "Controlled substance analog" means a substance the
28 chemical structure of which is substantially similar to the chemical
29 structure of a controlled substance in Schedule I or II and:

30 (i) that has a stimulant, depressant, or hallucinogenic effect on
31 the central nervous system substantially similar to the stimulant,
32 depressant, or hallucinogenic effect on the central nervous system of
33 a controlled substance included in Schedule I or II; or

34 (ii) with respect to a particular individual, that the individual
35 represents or intends to have a stimulant, depressant, or
36 hallucinogenic effect on the central nervous system substantially
37 similar to the stimulant, depressant, or hallucinogenic effect on the

1 central nervous system of a controlled substance included in Schedule
2 I or II.

3 (2) The term does not include:

4 (i) a controlled substance;

5 (ii) a substance for which there is an approved new drug
6 application;

7 (iii) a substance with respect to which an exemption is in effect
8 for investigational use by a particular person under Section 505 of
9 the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the
10 extent conduct with respect to the substance is pursuant to the
11 exemption; or

12 (iv) any substance to the extent not intended for human
13 consumption before an exemption takes effect with respect to the
14 substance.

15 (f) "Deliver" or "delivery," means the actual or constructive
16 transfer from one person to another of a substance, whether or not
17 there is an agency relationship.

18 (g) "Department" means the department of health.

19 (h) "Dispense" means the interpretation of a prescription or
20 order for a controlled substance and, pursuant to that prescription
21 or order, the proper selection, measuring, compounding, labeling, or
22 packaging necessary to prepare that prescription or order for
23 delivery.

24 (i) "Dispenser" means a practitioner who dispenses.

25 (j) "Distribute" means to deliver other than by administering or
26 dispensing a controlled substance.

27 (k) "Distributor" means a person who distributes.

28 (l) "Drug" means (1) a controlled substance recognized as a drug
29 in the official United States pharmacopoeia/national formulary or the
30 official homeopathic pharmacopoeia of the United States, or any
31 supplement to them; (2) controlled substances intended for use in the
32 diagnosis, cure, mitigation, treatment, or prevention of disease in
33 individuals or animals; (3) controlled substances (other than food)
34 intended to affect the structure or any function of the body of
35 individuals or animals; and (4) controlled substances intended for
36 use as a component of any article specified in (1), (2), or (3) of
37 this subsection. The term does not include devices or their
38 components, parts, or accessories.

1 (m) "Drug enforcement administration" means the drug enforcement
2 administration in the United States Department of Justice, or its
3 successor agency.

4 (n) "Electronic communication of prescription information" means
5 the transmission of a prescription or refill authorization for a drug
6 of a practitioner using computer systems. The term does not include a
7 prescription or refill authorization verbally transmitted by
8 telephone nor a facsimile manually signed by the practitioner.

9 (o) "Immediate precursor" means a substance:

10 (1) that the commission has found to be and by rule designates as
11 being the principal compound commonly used, or produced primarily for
12 use, in the manufacture of a controlled substance;

13 (2) that is an immediate chemical intermediary used or likely to
14 be used in the manufacture of a controlled substance; and

15 (3) the control of which is necessary to prevent, curtail, or
16 limit the manufacture of the controlled substance.

17 (p) "Isomer" means an optical isomer, but in subsection ((+z+))
18 (bb)(5) of this section, RCW 69.50.204(a) (12) and (34), and
19 69.50.206(b)(4), the term includes any geometrical isomer; in RCW
20 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any
21 positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and
22 69.50.208(a) the term includes any positional or geometric isomer.

23 (q) "Lot" means a definite quantity of marijuana, marijuana
24 concentrates, useable marijuana, or marijuana-infused product
25 identified by a lot number, every portion or package of which is
26 uniform within recognized tolerances for the factors that appear in
27 the labeling.

28 (r) "Lot number" (~~shall~~) must identify the licensee by business
29 or trade name and Washington state unified business identifier
30 number, and the date of harvest or processing for each lot of
31 marijuana, marijuana concentrates, useable marijuana, or marijuana-
32 infused product.

33 (s) "Manufacture" means the production, preparation, propagation,
34 compounding, conversion, or processing of a controlled substance,
35 either directly or indirectly or by extraction from substances of
36 natural origin, or independently by means of chemical synthesis, or
37 by a combination of extraction and chemical synthesis, and includes
38 any packaging or repackaging of the substance or labeling or
39 relabeling of its container. The term does not include the

1 preparation, compounding, packaging, repackaging, labeling, or
2 relabeling of a controlled substance:

3 (1) by a practitioner as an incident to the practitioner's
4 administering or dispensing of a controlled substance in the course
5 of the practitioner's professional practice; or

6 (2) by a practitioner, or by the practitioner's authorized agent
7 under the practitioner's supervision, for the purpose of, or as an
8 incident to, research, teaching, or chemical analysis and not for
9 sale.

10 (t) "Marijuana" or "marihuana" means all parts of the plant
11 *Cannabis*, whether growing or not, with a THC concentration greater
12 than 0.3 percent on a dry weight basis; the seeds thereof; the resin
13 extracted from any part of the plant; and every compound,
14 manufacture, salt, derivative, mixture, or preparation of the plant,
15 its seeds or resin. The term does not include the mature stalks of
16 the plant, fiber produced from the stalks, oil or cake made from the
17 seeds of the plant, any other compound, manufacture, salt,
18 derivative, mixture, or preparation of the mature stalks (except the
19 resin extracted therefrom), fiber, oil, or cake, or the sterilized
20 seed of the plant which is incapable of germination.

21 (u) "Marijuana concentrates" means products consisting wholly or
22 in part of the resin extracted from any part of the plant *Cannabis*
23 and having a THC concentration greater than (~~sixty~~) ten percent.

24 (v) "Marijuana processor" means a person licensed by the state
25 liquor and cannabis board to process marijuana into marijuana
26 concentrates, useable marijuana, and marijuana-infused products,
27 package and label marijuana concentrates, useable marijuana, and
28 marijuana-infused products for sale in retail outlets, and sell
29 marijuana concentrates, useable marijuana, and marijuana-infused
30 products at wholesale to marijuana retailers.

31 (w) "Marijuana producer" means a person licensed by the state
32 liquor and cannabis board to produce and sell marijuana at wholesale
33 to marijuana processors and other marijuana producers.

34 (x) "Marijuana products" means useable marijuana, marijuana
35 concentrates, and marijuana-infused products as defined in this
36 section.

37 (y) "Marijuana-infused products" means products that contain
38 marijuana or marijuana extracts, are intended for human use, are
39 derived from marijuana as defined in subsection (t) of this section,
40 and have a THC concentration no greater than (~~0.3~~) ten percent

1 (~~and no greater than sixty percent~~). The term "marijuana-infused
2 products" does not include either useable marijuana or marijuana
3 concentrates.

4 ~~((y))~~ (z) "Marijuana researcher" means a person licensed by the
5 state liquor and cannabis board to produce, process, and possess
6 marijuana for the purposes of conducting research on marijuana and
7 marijuana-derived drug products.

8 (aa) "Marijuana retailer" means a person licensed by the state
9 liquor and cannabis board to sell marijuana concentrates, useable
10 marijuana, and marijuana-infused products in a retail outlet.

11 ~~((z))~~ (bb) "Narcotic drug" means any of the following, whether
12 produced directly or indirectly by extraction from substances of
13 vegetable origin, or independently by means of chemical synthesis, or
14 by a combination of extraction and chemical synthesis:

15 (1) Opium, opium derivative, and any derivative of opium or opium
16 derivative, including their salts, isomers, and salts of isomers,
17 whenever the existence of the salts, isomers, and salts of isomers is
18 possible within the specific chemical designation. The term does not
19 include the isoquinoline alkaloids of opium.

20 (2) Synthetic opiate and any derivative of synthetic opiate,
21 including their isomers, esters, ethers, salts, and salts of isomers,
22 esters, and ethers, whenever the existence of the isomers, esters,
23 ethers, and salts is possible within the specific chemical
24 designation.

25 (3) Poppy straw and concentrate of poppy straw.

26 (4) Coca leaves, except coca leaves and extracts of coca leaves
27 from which cocaine, ecgonine, and derivatives or ecgonine or their
28 salts have been removed.

29 (5) Cocaine, or any salt, isomer, or salt of isomer thereof.

30 (6) Cocaine base.

31 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer
32 thereof.

33 (8) Any compound, mixture, or preparation containing any quantity
34 of any substance referred to in subparagraphs (1) through (7).

35 ~~((aa))~~ (cc) "Opiate" means any substance having an addiction-
36 forming or addiction-sustaining liability similar to morphine or
37 being capable of conversion into a drug having addiction-forming or
38 addiction-sustaining liability. The term includes opium, substances
39 derived from opium (opium derivatives), and synthetic opiates. The
40 term does not include, unless specifically designated as controlled

1 under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-
2 methylmorphinan and its salts (dextromethorphan). The term includes
3 the racemic and levorotatory forms of dextromethorphan.

4 ~~((bb))~~ (dd) "Opium poppy" means the plant of the species
5 Papaver somniferum L., except its seeds.

6 ~~((ee))~~ (ee) "Person" means individual, corporation, business
7 trust, estate, trust, partnership, association, joint venture,
8 government, governmental subdivision or agency, or any other legal or
9 commercial entity.

10 ~~((dd))~~ (ff) "Poppy straw" means all parts, except the seeds, of
11 the opium poppy, after mowing.

12 ~~((ee))~~ (gg) "Practitioner" means:

13 (1) A physician under chapter 18.71 RCW; a physician assistant
14 under chapter 18.71A RCW; an osteopathic physician and surgeon under
15 chapter 18.57 RCW; an osteopathic physician assistant under chapter
16 18.57A RCW who is licensed under RCW 18.57A.020 subject to any
17 limitations in RCW 18.57A.040; an optometrist licensed under chapter
18 18.53 RCW who is certified by the optometry board under RCW 18.53.010
19 subject to any limitations in RCW 18.53.010; a dentist under chapter
20 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW;
21 a veterinarian under chapter 18.92 RCW; a registered nurse, advanced
22 registered nurse practitioner, or licensed practical nurse under
23 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW
24 who is licensed under RCW 18.36A.030 subject to any limitations in
25 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific
26 investigator under this chapter, licensed, registered or otherwise
27 permitted insofar as is consistent with those licensing laws to
28 distribute, dispense, conduct research with respect to or administer
29 a controlled substance in the course of their professional practice
30 or research in this state.

31 (2) A pharmacy, hospital or other institution licensed,
32 registered, or otherwise permitted to distribute, dispense, conduct
33 research with respect to or to administer a controlled substance in
34 the course of professional practice or research in this state.

35 (3) A physician licensed to practice medicine and surgery, a
36 physician licensed to practice osteopathic medicine and surgery, a
37 dentist licensed to practice dentistry, a podiatric physician and
38 surgeon licensed to practice podiatric medicine and surgery, a
39 licensed physician assistant or a licensed osteopathic physician
40 assistant specifically approved to prescribe controlled substances by

1 his or her state's medical quality assurance commission or equivalent
2 and his or her supervising physician, an advanced registered nurse
3 practitioner licensed to prescribe controlled substances, or a
4 veterinarian licensed to practice veterinary medicine in any state of
5 the United States.

6 ~~((ff))~~ (hh) "Prescription" means an order for controlled
7 substances issued by a practitioner duly authorized by law or rule in
8 the state of Washington to prescribe controlled substances within the
9 scope of his or her professional practice for a legitimate medical
10 purpose.

11 ~~((gg))~~ (ii) "Production" includes the manufacturing, planting,
12 cultivating, growing, or harvesting of a controlled substance.

13 ~~((hh))~~ (jj) "Retail outlet" means a location licensed by the
14 state liquor and cannabis board for the retail sale of marijuana
15 concentrates, useable marijuana, and marijuana-infused products.

16 ~~((ii))~~ (kk) "Secretary" means the secretary of health or the
17 secretary's designee.

18 ~~((jj))~~ (ll) "State," unless the context otherwise requires,
19 means a state of the United States, the District of Columbia, the
20 Commonwealth of Puerto Rico, or a territory or insular possession
21 subject to the jurisdiction of the United States.

22 ~~((kk))~~ (mm) "THC concentration" means percent of delta-9
23 tetrahydrocannabinol content per dry weight of any part of the plant
24 *Cannabis*, or per volume or weight of marijuana product, or the
25 combined percent of delta-9 tetrahydrocannabinol and
26 tetrahydrocannabinolic acid in any part of the plant *Cannabis*
27 regardless of moisture content.

28 ~~((ll))~~ (nn) "Ultimate user" means an individual who lawfully
29 possesses a controlled substance for the individual's own use or for
30 the use of a member of the individual's household or for
31 administering to an animal owned by the individual or by a member of
32 the individual's household.

33 ~~((mm))~~ (oo) "Useable marijuana" means dried marijuana flowers.
34 The term "useable marijuana" does not include either marijuana-
35 infused products or marijuana concentrates.

36 ~~((nn))~~ (pp) "Designated provider" has the meaning provided in
37 RCW 69.51A.010.

38 ~~((oo))~~ (qq) "Qualifying patient" has the meaning provided in
39 RCW 69.51A.010.

1 ((~~pp~~)) (rr) "CBD concentration" has the meaning provided in RCW
2 69.51A.010.

3 ((~~qq~~)) (ss) "Plant" has the meaning provided in RCW 69.51A.010.

4 ((~~rr~~)) (tt) "Recognition card" has the meaning provided in RCW
5 69.51A.010.

6 **PART X**

7 **Medical Use of Marijuana**

8 **Sec. 1001.** RCW 69.51A.--- and 2015 c 70 s 26 are each amended to
9 read as follows:

10 (1) Qualifying patients or designated providers may form a
11 cooperative and share responsibility for acquiring and supplying the
12 resources needed to produce and process marijuana only for the
13 medical use of members of the cooperative. No more than four
14 qualifying patients or designated providers may become members of a
15 cooperative under this section and all members must hold valid
16 recognition cards. All members of the cooperative must be at least
17 twenty-one years old. The designated provider of a qualifying patient
18 who is under twenty-one years old may be a member of a cooperative on
19 the qualifying patient's behalf.

20 (2) (~~Cooperatives may not be located within one mile of a~~
21 ~~marijuana retailer. People~~) Qualifying patients and designated
22 providers who wish to form a cooperative must register the location
23 with the state liquor and cannabis board and this is the only
24 location where cooperative members may grow or process marijuana.
25 This registration must include the names of all participating members
26 and copies of each participant's recognition card. Only qualifying
27 patients or designated providers registered with the state liquor and
28 cannabis board in association with the location may participate in
29 growing or receive useable marijuana or marijuana-infused products
30 grown at that location.

31 (3) Cooperatives may not be located: (a) Within one mile of a
32 marijuana retailer; or within one thousand feet of the perimeter of
33 the grounds of any elementary or secondary school, playground,
34 recreation center or facility, child care center, public park, public
35 transit center, or library, or any game arcade admission to which is
36 not restricted to persons aged twenty-one years or older; (b) as
37 provided in RCW 69.50.331(8); or (c) where prohibited by a city,
38 town, or county zoning provision. The state liquor and cannabis board

1 must deny the registration of any cooperative if the location is
2 within one mile of a marijuana retailer or if the location does not
3 meet the requirements of RCW 69.50.331(8).

4 ~~((3))~~ (4) If a qualifying patient or designated provider no
5 longer participates in growing at the location, he or she must notify
6 the state liquor and cannabis board within fifteen days of the date
7 the qualifying patient or designated provider ceases participation.
8 The state liquor and cannabis board must remove his or her name from
9 connection to the cooperative. Additional qualifying patients or
10 designated providers may not join the cooperative until sixty days
11 have passed since the date on which the last qualifying patient or
12 designated provider notifies the state liquor and cannabis board that
13 he or she no longer participates in that cooperative.

14 ~~((4))~~ (5) Qualifying patients or designated providers who
15 participate in a cooperative under this section:

16 (a) May grow up to the total amount of plants for which each
17 participating member is authorized on their recognition cards, up to
18 a maximum of sixty plants. At the location, the qualifying patients
19 or designated providers may possess the amount of useable marijuana
20 that can be produced with the number of plants permitted under this
21 subsection, but no more than seventy-two ounces;

22 (b) May only participate in one cooperative;

23 (c) May only grow plants in the cooperative and if he or she
24 grows plants in the cooperative may not grow plants elsewhere;

25 (d) Must provide assistance in growing plants. A monetary
26 contribution or donation is not to be considered assistance under
27 this section. Participants must provide nonmonetary resources and
28 labor in order to participate; and

29 (e) May not sell, donate, or otherwise provide marijuana,
30 marijuana concentrates, useable marijuana, or marijuana-infused
31 products to a person who is not participating under this section.

32 ~~((5))~~ (6) The location of the cooperative must be the domicile
33 of one of the participants. Only one cooperative may be located per
34 property tax parcel. A copy of each participant's recognition card
35 must be kept at the location at all times.

36 ~~((6))~~ (7) The state liquor and cannabis board may adopt rules
37 to implement this section including:

38 (a) Any security requirements necessary to ensure the safety of
39 the cooperative and to reduce the risk of diversion from the
40 cooperative;

1 (b) A seed to sale traceability model that is similar to the seed
2 to sale traceability model used by licensees that will allow the
3 state liquor and cannabis board to track all marijuana grown in a
4 cooperative.

5 ~~((7))~~ (8) The state liquor and cannabis board or law
6 enforcement may inspect a cooperative registered under this section
7 to ensure members are in compliance with this section. The state
8 liquor and cannabis board must adopt rules on reasonable inspection
9 hours and reasons for inspections.

10 NEW SECTION. **Sec. 1002.** A new section is added to chapter 42.56
11 RCW to read as follows:

12 (1) Registration information submitted to the state liquor and
13 cannabis board under RCW 69.51A.--- (section 26, chapter 70, Laws of
14 2015) including the names of all participating members of a
15 cooperative, copies of each member's recognition card, location of
16 the cooperative, and other information required for registration by
17 the state liquor and cannabis board is exempt from disclosure under
18 this chapter.

19 (2) The definitions in this section apply throughout this section
20 unless the context clearly requires otherwise.

21 (a) "Cooperative" means a cooperative established under RCW
22 69.51A.--- (section 26, chapter 70, Laws of 2015) to produce and
23 process marijuana only for the medical use of members of the
24 cooperative.

25 (b) "Recognition card" has the same meaning as provided in RCW
26 69.51A.010.

27 **Sec. 1003.** RCW 69.51A.085 and 2015 c 70 s 32 are each amended to
28 read as follows:

29 (1) Qualifying patients may ~~((create—and))~~ participate in
30 collective gardens for the purpose of producing, processing,
31 transporting, and delivering marijuana for medical use subject to the
32 following conditions:

33 (a) No more than ten qualifying patients may participate in a
34 single collective garden at any time;

35 (b) No person under the age of twenty-one may participate in a
36 collective garden or receive marijuana that was produced, processed,
37 transported, or delivered through a collective garden. A designated
38 provider for a person who is under the age of twenty-one may

1 participate in a collective garden on behalf of the person under the
2 age of twenty-one;

3 (c) A collective garden may contain no more than fifteen plants
4 per patient up to a total of forty-five plants;

5 (d) A collective garden may contain no more than twenty-four
6 ounces of useable marijuana per patient up to a total of seventy-two
7 ounces of useable marijuana;

8 (e) A copy of each qualifying patient's authorization, including
9 a copy of the patient's proof of identity, must be available at all
10 times on the premises of the collective garden; ~~((and))~~

11 (f) No useable marijuana from the collective garden is delivered
12 to anyone other than one of the qualifying patients participating in
13 the collective garden; and

14 (g) The collective garden was created before April 24, 2015.

15 (2) For purposes of this section, ~~((the creation of a))~~
16 "collective garden" means qualifying patients sharing responsibility
17 for acquiring and supplying the resources required to produce and
18 process cannabis for medical use such as, for example, a location for
19 a collective garden; equipment, supplies, and labor necessary to
20 plant, grow, and harvest marijuana plants, seeds, and cuttings; and
21 equipment, supplies, and labor necessary for proper construction,
22 plumbing, wiring, and ventilation of a garden of marijuana plants.
23 Qualifying patients or designated providers may not create a
24 collective garden after April 24, 2015.

25 (3) A person who knowingly violates a provision of subsection (1)
26 of this section is not entitled to the protections of this chapter.

27 NEW SECTION. Sec. 1004. Section 1003 of this act applies
28 retroactively to April 24, 2015.

29 NEW SECTION. Sec. 1005. RCW 69.51A.085 and 2015 2nd sp.s. c ...
30 s 1003 (section 1003 of this act), 2015 c 70 s 32, and 2011 c 181 s
31 403, as now existing or hereafter amended, are each repealed,
32 effective July 1, 2016.

33 **PART XI**
34 **Dedicated Marijuana Account**

35 **Sec. 1101.** RCW 69.50.530 and 2013 c 3 s 26 are each amended to
36 read as follows:

1 ~~((1) There shall be a fund, known as the dedicated marijuana~~
2 ~~fund, which shall consist of all marijuana excise taxes, license~~
3 ~~fees, penalties, forfeitures, and all other moneys, income, or~~
4 ~~revenue received by the state liquor control board from marijuana-~~
5 ~~related activities. The state treasurer shall be custodian of the~~
6 ~~fund.~~

7 ~~(2))~~ The dedicated marijuana account is created in the state
8 treasury. All moneys received by the state liquor ((control)) and
9 cannabis board, or any employee thereof, from marijuana-related
10 activities ((shall)) must be deposited ((each day in a depository
11 approved by the state treasurer and transferred to the state
12 treasurer to be credited to the dedicated marijuana fund.

13 ~~(3) Disbursements from the dedicated marijuana fund shall be on~~
14 ~~authorization of the state liquor control board or a duly authorized~~
15 ~~representative thereof))~~ in the account. Unless otherwise provided in
16 this act, all marijuana excise taxes collected from sales of
17 marijuana, useable marijuana, marijuana concentrates, and marijuana-
18 infused products under RCW 69.50.535, and the license fees,
19 penalties, and forfeitures derived under this chapter from marijuana
20 producer, marijuana processor, marijuana researcher, and marijuana
21 retailer licenses, must be deposited in the account. Moneys in the
22 account may only be spent after appropriation.

23 **PART XII**

24 **Synthetic Cannabinoids and Bath Salts**

25 NEW SECTION. Sec. 1201. A new section is added to chapter 69.50
26 RCW to read as follows:

27 (1) It is an unfair or deceptive practice under RCW 19.86.020 for
28 any person or entity to distribute, dispense, manufacture, display
29 for sale, offer for sale, attempt to sell, or sell to a purchaser any
30 product that contains any amount of any synthetic cannabinoid,
31 cathinone, or methcathinone as identified in RCW 69.50.204(e) (3) and
32 (5). The legislature finds that practices covered by this section are
33 matters vitally affecting the public interest for the purpose of
34 applying the consumer protection act, chapter 19.86 RCW. Violations
35 of this section are not reasonable in relation to the development and
36 preservation of business.

1 (2) "Synthetic cannabinoid" includes any chemical compound
2 identified in RCW 69.50.204(c)(30) or by the pharmacy quality
3 assurance commission under RCW 69.50.201.

4 **Sec. 1202.** RCW 69.50.204 and 2010 c 177 s 2 are each amended to
5 read as follows:

6 Unless specifically excepted by state or federal law or
7 regulation or more specifically included in another schedule, the
8 following controlled substances are listed in Schedule I:

9 (a) Any of the following opiates, including their isomers,
10 esters, ethers, salts, and salts of isomers, esters, and ethers
11 whenever the existence of these isomers, esters, ethers, and salts is
12 possible within the specific chemical designation:

13 (1) Acetyl-alpha-methylfentanyl (N-[1-(1-methyl-2-phenethyl)-4-
14 piperidinyl]-N-phenylacetamide);

15 (2) Acetylmethadol;

16 (3) Allylprodine;

17 (4) Alphacetylmethadol, except levo-alphacetylmethadol, also
18 known as levo-alpha-acetylmethadol, levomethadyl acetate, or LAAM;

19 (5) Alphameprodine;

20 (6) Alphamethadol;

21 (7) Alpha-methylfentanyl (N-[1-(alpha-methyl-beta-phenyl)
22 ethyl-4-piperidyl] propionanilide); (1-(1-methyl-2-phenylethyl)-4-(N-
23 propanilido) piperidine);

24 (8) Alpha-methylthiofentanyl (N-[1-methyl-2-(2-thienyl)ethyl-4-
25 piperidinyl]-N-phenylpropanamide);

26 (9) Benzethidine;

27 (10) Betacetylmethadol;

28 (11) Beta-hydroxyfentanyl (N-[1-(2-hydroxy-2-phenethyl)-4-
29 piperidinyl]-N-phenylpropanamide);

30 (12) Beta-hydroxy-3-methylfentanyl, some trade or other names: N-
31 [1-(2-hydrox-2-phenethyl)-3-methyl-4-piperidinyl]-N-
32 phenylpropanamide;

33 (13) Betameprodine;

34 (14) Betamethadol;

35 (15) Betaprodine;

36 (16) Clonitazene;

37 (17) Dextromoramide;

38 (18) Diampromide;

39 (19) Diethylthiambutene;

1 (20) DifenoXin;
2 (21) Dimenoxadol;
3 (22) Dimepheptanol;
4 (23) Dimethylthiambutene;
5 (24) Dioxaphetyl butyrate;
6 (25) Dipipanone;
7 (26) Ethylmethylthiambutene;
8 (27) Etonitazene;
9 (28) EtoXeridine;
10 (29) Furethidine;
11 (30) Hydroxypethidine;
12 (31) Ketobemidone;
13 (32) Levomoramide;
14 (33) Levophenacylmorphan;
15 (34) 3-Methylfentanyl (N-[3-methyl-1-(2-phenylethyl)-4-
16 piperidyl]-N-phenylprop anamide);
17 (35) 3-Methylthiofentanyl (N-[(3-methyl-1-(2-thienyl)ethyl-4-
18 piperidinyl]-N-phenylpropanamide);
19 (36) Morpheridine;
20 (37) MPPP (1-methyl-4-phenyl-4-propionoxypiperidine);
21 (38) Noracymethadol;
22 (39) Norlevorphanol;
23 (40) Normethadone;
24 (41) Norpipanone;
25 (42) Para-fluorofentanyl (N-(4-fluorophenyl)-N-[1-(2-
26 phenethyl)-4-piperidinyl] propanamide);
27 (43) PEPAP(1-(-2-phenethyl)-4-phenyl-4-acetoxypiperidine);
28 (44) Phenadoxone;
29 (45) Phenampromide;
30 (46) Phenomorphan;
31 (47) Phenoperidine;
32 (48) Piritramide;
33 (49) Proheptazine;
34 (50) Properidine;
35 (51) Propiram;
36 (52) Racemoramide;
37 (53) Thiofentanyl (N-phenyl-N-[1-(2-thienyl)ethyl-4-piperidinyl]-
38 propanaminde);
39 (54) Tilidine;
40 (55) Trimeperidine.

1 (b) Opium derivatives. Unless specifically excepted or unless
2 listed in another schedule, any of the following opium derivatives,
3 including their salts, isomers, and salts of isomers whenever the
4 existence of those salts, isomers, and salts of isomers is possible
5 within the specific chemical designation:

- 6 (1) Acetorphine;
- 7 (2) Acetyldihydrocodeine;
- 8 (3) Benzylmorphine;
- 9 (4) Codeine methylbromide;
- 10 (5) Codeine-N-Oxide;
- 11 (6) Cyprenorphine;
- 12 (7) Desomorphine;
- 13 (8) Dihydromorphine;
- 14 (9) Drotebanol;
- 15 (10) Etorphine, except hydrochloride salt;
- 16 (11) Heroin;
- 17 (12) Hydromorphanol;
- 18 (13) Methyldesorphine;
- 19 (14) Methyldihydromorphine;
- 20 (15) Morphine methylbromide;
- 21 (16) Morphine methylsulfonate;
- 22 (17) Morphine-N-Oxide;
- 23 (18) Myrophine;
- 24 (19) Nicocodeine;
- 25 (20) Nicomorphine;
- 26 (21) Normorphine;
- 27 (22) Pholcodine;
- 28 (23) Thebacon.

29 (c) Hallucinogenic substances. Unless specifically excepted or
30 unless listed in another schedule, any material, compound, mixture,
31 or preparation which contains any quantity of the following
32 hallucinogenic substances, including their salts, isomers, and salts
33 of isomers whenever the existence of those salts, isomers, and salts
34 of isomers is possible within the specific chemical designation. For
35 the purposes of this subsection only, the term "isomer" includes the
36 optical, position, and geometric isomers:

- 37 (1) Alpha-ethyltryptamine: Some trade or other names:
38 Etryptamine; monase; a-ethyl-1H-indole-3-ethanamine; 3-(2-aminobutyl)
39 indole; a-ET; and AET;

1 (2) 4-bromo-2,5-dimethoxy-amphetamine: Some trade or other names:
2 4-bromo-2,5-dimethoxy- α -methylphenethylamine; 4-bromo-2,5-DMA;
3 (3) 4-bromo-2,5-dimethoxyphenethylamine: Some trade or other
4 names: 2-(4-bromo-2,5-dimethoxyphenyl)-1-aminoethane; α -desmethyl
5 DOB; 2C-B, nexus;
6 (4) 2,5-dimethoxyamphetamine: Some trade or other names: 2,5-
7 dimethoxy- α -methylphenethylamine; 2,5-DMA;
8 (5) 2,5-dimethoxy-4-ethylamphetamine (DOET);
9 (6) 2,5-dimethoxy-4-(n)-propylthiophenethylamine: Other name:
10 2C-T-7;
11 (7) 4-methoxyamphetamine: Some trade or other names: 4-methoxy- α -
12 methylphenethylamine; paramethoxyamphetamine, PMA;
13 (8) 5-methoxy-3,4-methylenedioxy-amphetamine;
14 (9) 4-methyl-2,5-dimethoxy-amphetamine: Some trade and other
15 names: 4-methyl-2,5-dimethoxy- α -methylphenethylamine; "DOM"; and
16 "STP";
17 (10) 3,4-methylenedioxy amphetamine;
18 (11) 3,4-methylenedioxymethamphetamine (MDMA);
19 (12) 3,4-methylenedioxy-N-ethylamphetamine, also known as N-
20 ethyl- α -methyl-3,4(methylenedioxy)phenethylamine, N-ethyl MDA,
21 MDE, MDEA;
22 (13) N-hydroxy-3,4-methylenedioxyamphetamine also known as
23 N-hydroxy- α -methyl-3,4(methylenedioxy)phenethylamine, N-hydroxy
24 MDA;
25 (14) 3,4,5-trimethoxy amphetamine;
26 (15) α -methyltryptamine: Other name: AMT;
27 (16) Bufotenine: Some trade or other names: 3-(β -
28 Dimethylaminoethyl)-5-hydroxyindole; 3-(2-dimethylaminoethyl)-5-
29 indolol; N, N-dimethylserotonin; 5-hydroxy-N,N-dimethyltryptamine;
30 mappine;
31 (17) Diethyltryptamine: Some trade or other names: N,N-
32 Diethyltryptamine; DET;
33 (18) Dimethyltryptamine: Some trade or other names: DMT;
34 (19) 5-methoxy-N,N-diisopropyltryptamine: Other name: 5-MeO-DIPT;
35 (20) Ibogaine: Some trade or other names: 7-Ethyl-6,6 β ,
36 7,8,9,10,12,13,-octahydro-2-methoxy-6,9-methano-5H-pyndo (1',2' 1,2)
37 azepino (5,4-b) indole; Tabernanthe iboga;
38 (21) Lysergic acid diethylamide;
39 (22) Marihuana or marijuana;
40 (23) Mescaline;

1 (24) Parahexyl-7374: Some trade or other names: 3-Hexyl-1-
2 hydroxy-7, 8, 9, 10-tetrahydro-6, 6, 9-trimethyl-6H-
3 dibenzo[b,d]pyran; synhexyl;

4 (25) Peyote, meaning all parts of the plant presently classified
5 botanically as Lophophora Williamsii Lemaire, whether growing or not,
6 the seeds thereof, any extract from any part of such plant, and every
7 compound, manufacture, salts, derivative, mixture, or preparation of
8 such plant, its seeds, or extracts; (interprets 21 U.S.C. Sec. 812
9 (c), Schedule I (c)(12));

10 (26) N-ethyl-3-piperidyl benzilate;

11 (27) N-methyl-3-piperidyl benzilate;

12 (28) Psilocybin;

13 (29) Psilocyn;

14 (30) Tetrahydrocannabinols, meaning tetrahydrocannabinols
15 naturally contained in a plant of the genus Cannabis (cannabis
16 plant), as well as synthetic equivalents of the substances contained
17 in the plant, or in the resinous extractives of Cannabis, species,
18 and/or synthetic substances, derivatives, and their isomers with
19 similar chemical structure and pharmacological activity such as the
20 following:

21 (i) 1 - cis - or trans tetrahydrocannabinol, and their optical
22 isomers, excluding tetrahydrocannabinol in sesame oil and
23 encapsulated in a soft gelatin capsule in a drug product approved by
24 the United States Food and Drug Administration;

25 (ii) 6 - cis - or trans tetrahydrocannabinol, and their optical
26 isomers;

27 (iii) 3,4 - cis - or trans tetrahydrocannabinol, and its optical
28 isomers; or

29 (iv) That is chemically synthesized and either:

30 (a) Has been demonstrated to have binding activity at one or more
31 cannabinoid receptors; or

32 (b) Is a chemical analog or isomer of a compound that has been
33 demonstrated to have binding activity at one or more cannabinoid
34 receptors;

35 (Since nomenclature of these substances is not internationally
36 standardized, compounds of these structures, regardless of numerical
37 designation of atomic positions covered.)

38 (31) Ethylamine analog of phencyclidine: Some trade or other
39 names: N-ethyl-1phenylcyclohexalymine, (1-phenylcyclohexyl)
40 ethylamine; N-(1-phenylcyclohexyl)ethylamine; cyclohexamine; PCE;

1 (32) Pyrrolidine analog of phencyclidine: Some trade or other
2 names: 1-(1-phencyclohexyl)pyrrolidine; PCPy; PHP;

3 (33) Thiophene analog of phencyclidine: Some trade or other
4 names: 1-(1-[2-thienyl]-cyclohexyl)-piperidine; 2-thienyl analog of
5 phencyclidine; TPCP; TCP;

6 (34) 1-[1-(2-thienyl)cyclohexyl]pyrrolidine: A trade or other
7 name is TCPy.

8 (d) Depressants. Unless specifically excepted or unless listed in
9 another schedule, any material, compound, mixture, or preparation
10 which contains any quantity of the following substances having a
11 depressant effect on the central nervous system, including its salts,
12 isomers, and salts of isomers whenever the existence of such salts,
13 isomers, and salts of isomers is possible within the specific
14 chemical designation.

15 (1) Gamma-hydroxybutyric acid: Some other names include GHB;
16 gamma-hydroxybutyrate; 4-hydroxybutyrate; 4-hydroxybutanoic acid;
17 sodium oxybate; sodium oxybutyrate;

18 (2) Mecloqualone;

19 (3) Methaqualone.

20 (e) Stimulants. Unless specifically excepted or unless listed in
21 another schedule, any material, compound, mixture, or preparation
22 which contains any quantity of the following substances having a
23 stimulant effect on the central nervous system, including its salts,
24 isomers, and salts of isomers:

25 (1) Aminorex: Some other names: aminoxaphen; 2-amino-5-phenyl-2-
26 oxazoline; or 4, 5-dihydro-5-phenyl-2-oxazolamine;

27 (2) N-Benzylpiperazine: Some other names: BZP, 1-benzylpiperazine;

28 (3) Cathinone, also known as 2-amino-1-phenyl-1-propanone,
29 alpha-aminopropiophenone, 2-aminopropiophenone and norephedrone;

30 (4) Fenethylamine;

31 (5) Methcathinone: Some other names: 2-(methylamino)-
32 propiophenone; alpha-(methylamino)propiophenone; 2-(methylamino)-1-
33 phenylpropan-1-one; alpha-N-methylaminopropiophenone;
34 monomethylpropion; ephedrone; N-methylcathinone; methylcathinone;
35 AL-464; AL-422; AL-463 and UR1432, its salts, optical isomers, and
36 salts of optical isomers;

37 (6) (+-)-cis-4-methylaminorex ((+)-cis-4,5-dihydro-4-methyl-5-
38 phenyl-2-oxazolamine);

39 (7) N-ethylamphetamine;

1 (8) N,N-dimethylamphetamine: Some trade or other names: N,N-
2 alpha-trimethyl-benzeneethanamine; N,N-alpha-trimethylphenoethylene.

3 The controlled substances in this section may be added,
4 rescheduled, or deleted as provided for in RCW 69.50.201.

5 **Sec. 1203.** RCW 69.50.430 and 2015 c 265 s 36 are each amended to
6 read as follows:

7 (1) Every adult offender convicted of a felony violation of RCW
8 69.50.401 through 69.50.4013, 69.50.4015, 69.50.402, 69.50.403,
9 69.50.406, 69.50.407, 69.50.410, or 69.50.415 (~~shall~~) must be fined
10 one thousand dollars in addition to any other fine or penalty
11 imposed. Unless the court finds the adult offender to be indigent,
12 this additional fine (~~shall~~) may not be suspended or deferred by
13 the court.

14 (2) On a second or subsequent conviction for violation of any of
15 the laws listed in subsection (1) of this section, the adult offender
16 (~~shall~~) must be fined two thousand dollars in addition to any other
17 fine or penalty imposed. Unless the court finds the adult offender to
18 be indigent, this additional fine (~~shall~~) may not be suspended or
19 deferred by the court.

20 (3) In addition to any other civil or criminal penalty, every
21 person who violates or causes another to violate RCW 69.50.401 by
22 distributing, dispensing, manufacturing, displaying for sale,
23 offering for sale, attempting to sell, or selling to a purchaser any
24 product that contains any amount of any synthetic cannabinoid,
25 cathinone, or methcathinone, as identified in RCW 69.50.204, must be
26 fined not less than ten thousand dollars and not more than five
27 hundred thousand dollars. If, however, the person who violates or
28 causes another to violate RCW 69.50.401 by distributing, dispensing,
29 manufacturing, displaying for sale, offering for sale, attempting to
30 sell, or selling any product that contains any amount of any
31 synthetic cannabinoid, cathinone, or methcathinone, as identified in
32 RCW 69.50.204, to a purchaser under the age of eighteen, the minimum
33 penalty is twenty-five thousand dollars if the person is at least two
34 years older than the minor. Unless the court finds the person to be
35 indigent, this additional fine may not be suspended or deferred by
36 the court.

37 **PART XIII**

38 **Restricting Certain Methods of Selling Marijuana**

1 NEW SECTION. **Sec. 1301.** A new section is added to chapter 69.50
2 RCW to read as follows:

3 (1) A retailer licensed under this chapter may use a vending
4 machine for the retail sale of useable marijuana, marijuana
5 concentrates, and marijuana-infused products, subject to approval
6 from the board prior to the installation or use of the machine in the
7 licensed premises.

8 (2) The board is granted general authority to adopt rules
9 necessary for the implementation of this section, including, but not
10 limited to, rules governing:

11 (a) The operational characteristics of the vending machines;

12 (b) Identification and age verification processes and
13 requirements for customers who make purchases from the machines;

14 (c) The location of vending machines within the licensed premises
15 and measures to prevent access to the machines by persons under age
16 21;

17 (d) The types and quantities of marijuana-related products that
18 may be purchased from the vending machines; and

19 (e) Signs and labeling that must be affixed to vending machines
20 pertaining to public health and safety notifications, legal warnings
21 and requirements, and other disclosures and information as deemed
22 necessary by the board.

23 (3) The products sold through vending machines, and the use of
24 such machines, must comply with the pertinent provisions of this
25 chapter regarding the retail sale of useable marijuana, marijuana
26 concentrates, and marijuana-infused products.

27 (4) For the purposes of this section, "vending machine" means a
28 machine or other mechanical device that accepts payment and:

29 (a) Dispenses tangible personal property; or

30 (b) Provides a service to the buyer.

31 NEW SECTION. **Sec. 1302.** A new section is added to chapter 69.50
32 RCW to read as follows:

33 (1) A retailer licensed under this chapter is prohibited from
34 operating a drive-through purchase facility where marijuana
35 concentrates, marijuana-infused products, or useable marijuana are
36 sold at retail and dispensed through a window or door to a purchaser
37 who is either in or on a motor vehicle or otherwise located outside
38 of the licensed premises at the time of sale.

1 (2) The state liquor and cannabis board may not issue, transfer,
2 or renew a marijuana retail license for any licensee in violation of
3 the provisions of subsection (1) of this section.

4 **PART XIV**

5 **Marijuana Clubs**

6 NEW SECTION. **Sec. 1401.** A new section is added to chapter 69.50
7 RCW to read as follows:

8 (1) It is unlawful for any person to conduct or maintain a
9 marijuana club by himself or herself or by associating with others,
10 or in any manner aid, assist, or abet in conducting or maintaining a
11 marijuana club.

12 (2) It is unlawful for any person to conduct or maintain a public
13 place where marijuana is held or stored, except as provided for a
14 licensee under this chapter, or consumption of marijuana is
15 permitted.

16 (3) Any person who violates this section is guilty of a class C
17 felony punishable under chapter 9A.20 RCW.

18 (4) The following definitions apply throughout this section
19 unless the context clearly requires otherwise.

20 (a) "Marijuana club" means a club, association, or other
21 business, for profit or otherwise, that conducts or maintains a
22 premises for the primary or incidental purpose of providing a
23 location where members or other persons may keep or consume marijuana
24 on the premises.

25 (b) "Public place" means, in addition to the definition provided
26 in RCW 66.04.010, any place to which admission is charged or for
27 which any pecuniary gain is realized by the owner or operator of such
28 place.

29 **PART XV**

30 **Marijuana Research Licenses**

31 **Sec. 1501.** RCW 69.50.--- and 2015 c 71 s 1 are each amended to
32 read as follows:

33 (1) There shall be a marijuana research license that permits a
34 licensee to produce, process, and possess marijuana for the following
35 limited research purposes:

36 (a) To test chemical potency and composition levels;

1 (b) To conduct clinical investigations of marijuana-derived drug
2 products;

3 (c) To conduct research on the efficacy and safety of
4 administering marijuana as part of medical treatment; and

5 (d) To conduct genomic or agricultural research.

6 (2) As part of the application process for a marijuana research
7 license, an applicant must submit to the life sciences discovery fund
8 authority a description of the research that is intended to be
9 conducted. The life sciences discovery fund authority must review the
10 project and determine that it meets the requirements of subsection
11 (1) of this section. If the life sciences discovery fund authority
12 determines that the research project does not meet the requirements
13 of subsection (1) of this section, the application must be denied.

14 (3) A marijuana research licensee may only sell marijuana grown
15 or within its operation to other marijuana research licensees. The
16 state liquor (~~control~~) and cannabis board may revoke a marijuana
17 research license for violations of this subsection.

18 (4) A marijuana research licensee may contract with the
19 University of Washington or Washington State University to perform
20 research in conjunction with the university. All research projects,
21 not including those projects conducted pursuant to a contract entered
22 into under RCW 28B.20.502(3), must be approved by the life sciences
23 discovery fund authority and meet the requirements of subsection (1)
24 of this section.

25 (5) In establishing a marijuana research license, the state
26 liquor (~~control~~) and cannabis board may adopt rules on the
27 following:

28 (a) Application requirements;

29 (b) Marijuana research license renewal requirements, including
30 whether additional research projects may be added or considered;

31 (c) Conditions for license revocation;

32 (d) Security measures to ensure marijuana is not diverted to
33 purposes other than research;

34 (e) Amount of plants, useable marijuana, marijuana concentrates,
35 or marijuana-infused products a licensee may have on its premises;

36 (f) Licensee reporting requirements;

37 (g) Conditions under which marijuana grown by marijuana
38 processors may be donated to marijuana research licensees; and

39 (h) Additional requirements deemed necessary by the state liquor
40 (~~control~~) and cannabis board.

1 (6) The production, processing, possession, delivery, donation,
2 and sale of marijuana in accordance with this section and the rules
3 adopted to implement and enforce it, by a validly licensed marijuana
4 researcher, shall not be a criminal or civil offense under Washington
5 state law. Every marijuana research license (~~shall~~) must be issued
6 in the name of the applicant, (~~shall~~) must specify the location at
7 which the marijuana researcher intends to operate, which must be
8 within the state of Washington, and the holder thereof (~~shall~~) may
9 not allow any other person to use the license.

10 (7) The application fee for a marijuana research license is two
11 hundred fifty dollars. The annual fee for issuance and renewal of a
12 marijuana research license is one thousand dollars. Fifty percent of
13 the application fee, the issuance fee, and the renewal fee must be
14 deposited to the life sciences discovery fund under RCW 43.350.070,
15 or, if that fund ceases to exist, to the general fund.

16 **Sec. 1502.** RCW 28B.20.502 and 2015 c 71 s 2 are each amended to
17 read as follows:

18 (1) The University of Washington and Washington State University
19 may conduct scientific research on the efficacy and safety of
20 administering marijuana as part of medical treatment. As part of this
21 research, the University of Washington and Washington State
22 University may develop and conduct studies to ascertain the general
23 medical safety and efficacy of marijuana, and may develop medical
24 guidelines for the appropriate administration and use of marijuana.

25 (2) The University of Washington and Washington State University
26 may, in accordance with RCW 69.50.--- (section 1, chapter 71, Laws of
27 2015), contract with marijuana research licensees to conduct research
28 permitted under this section and RCW 69.50.--- (section 1, chapter
29 71, Laws of 2015).

30 (3) The University of Washington and Washington State University
31 may contract to conduct marijuana research with an entity licensed to
32 conduct such research by a federally recognized Indian tribe located
33 within the geographical boundaries of the state of Washington.

34 **Sec. 1503.** RCW 43.350.030 and 2015 c 71 s 3 are each amended to
35 read as follows:

36 In addition to other powers and duties prescribed in this
37 chapter, the authority is empowered to:

1 (1) Use public moneys in the life sciences discovery fund,
2 leveraging those moneys with amounts received from other public and
3 private sources in accordance with contribution agreements, to
4 promote life sciences research;

5 (2) Solicit and receive gifts, grants, and bequests, and enter
6 into contribution agreements with private entities and public
7 entities other than the state to receive moneys in consideration of
8 the authority's promise to leverage those moneys with amounts
9 received through appropriations from the legislature and
10 contributions from other public entities and private entities, in
11 order to use those moneys to promote life sciences research. Nonstate
12 moneys received by the authority for this purpose shall be deposited
13 in the life sciences discovery fund created in RCW 43.350.070;

14 (3) Hold funds received by the authority in trust for their use
15 pursuant to this chapter to promote life sciences research;

16 (4) Manage its funds, obligations, and investments as necessary
17 and as consistent with its purpose including the segregation of
18 revenues into separate funds and accounts;

19 (5) Make grants to entities pursuant to contract for the
20 promotion of life sciences research to be conducted in the state.
21 Grant agreements (~~shall~~) must specify deliverables to be provided
22 by the recipient pursuant to the grant. The authority shall solicit
23 requests for funding and evaluate the requests by reference to
24 factors such as: (a) The quality of the proposed research; (b) its
25 potential to improve health outcomes, with particular attention to
26 the likelihood that it will also lower health care costs, substitute
27 for a more costly diagnostic or treatment modality, or offer a
28 breakthrough treatment for a particular disease or condition; (c) its
29 potential for leveraging additional funding; (d) its potential to
30 provide health care benefits or benefit human learning and
31 development; (e) its potential to stimulate the health care delivery,
32 biomedical manufacturing, and life sciences related employment in the
33 state; (f) the geographic diversity of the grantees within
34 Washington; (g) evidence of potential royalty income and contractual
35 means to recapture such income for purposes of this chapter; and (h)
36 evidence of public and private collaboration;

37 (6) Create one or more advisory boards composed of scientists,
38 industrialists, and others familiar with life sciences research;

1 (7) Review and approve or disapprove marijuana research license
2 applications under RCW 69.50.--- (section 1, chapter 71, Laws of
3 2015);

4 (8) Review any reports made by marijuana research licensees under
5 state liquor (~~((control))~~) and cannabis board rule and provide the
6 state liquor (~~((control))~~) and cannabis board with its determination on
7 whether the research project continues to meet research
8 qualifications under RCW 69.50.---(1) (section 1, chapter 71, Laws of
9 2015); and

10 (9) Adopt policies and procedures to facilitate the orderly
11 process of grant application, review, and reward.

12 **Sec. 1504.** RCW 42.56.--- and 2015 c 71 s 4 are each amended to
13 read as follows:

14 Reports submitted by marijuana research licensees in accordance
15 with rules adopted by the state liquor (~~((control))~~) and cannabis board
16 under RCW 69.50.--- (section 1, chapter 71, Laws of 2015) that
17 contain proprietary information are exempt from disclosure under this
18 chapter.

19 **PART XVI**

20 **Miscellaneous Provisions**

21 **Sec. 1601.** RCW 69.50.342 and 2013 c 3 s 9 are each amended to
22 read as follows:

23 (1) For the purpose of carrying into effect the provisions of
24 chapter 3, Laws of 2013 according to their true intent or of
25 supplying any deficiency therein, the state liquor and cannabis board
26 may adopt rules not inconsistent with the spirit of chapter 3, Laws
27 of 2013 as are deemed necessary or advisable. Without limiting the
28 generality of the preceding sentence, the state liquor and cannabis
29 board is empowered to adopt rules regarding the following:

30 (a) The equipment and management of retail outlets and premises
31 where marijuana is produced or processed, and inspection of the
32 retail outlets and premises where marijuana is produced or processed;

33 (b) The books and records to be created and maintained by
34 licensees, the reports to be made thereon to the state liquor and
35 cannabis board, and inspection of the books and records;

36 (c) Methods of producing, processing, and packaging marijuana,
37 useable marijuana, marijuana concentrates, and marijuana-infused

1 products; conditions of sanitation; safe handling requirements;
2 approved pesticides and pesticide testing requirements; and standards
3 of ingredients, quality, and identity of marijuana, useable
4 marijuana, marijuana concentrates, and marijuana-infused products
5 produced, processed, packaged, or sold by licensees;

6 (d) Security requirements for retail outlets and premises where
7 marijuana is produced or processed, and safety protocols for
8 licensees and their employees;

9 (e) Screening, hiring, training, and supervising employees of
10 licensees;

11 (f) Retail outlet locations and hours of operation;

12 (g) Labeling requirements and restrictions on advertisement of
13 marijuana, useable marijuana, marijuana concentrates, cannabis health
14 and beauty aids, and marijuana-infused products for sale in retail
15 outlets;

16 (h) Forms to be used for purposes of this chapter and chapter
17 69.51A RCW or the rules adopted to implement and enforce these
18 chapters, the terms and conditions to be contained in licenses issued
19 under this chapter and chapter 69.51A RCW, and the qualifications for
20 receiving a license issued under this chapter and chapter 69.51A RCW,
21 including a criminal history record information check. The state
22 liquor and cannabis board may submit any criminal history record
23 information check to the Washington state patrol and to the
24 identification division of the federal bureau of investigation in
25 order that these agencies may search their records for prior arrests
26 and convictions of the individual or individuals who filled out the
27 forms. The state liquor and cannabis board (~~shall~~) must require
28 fingerprinting of any applicant whose criminal history record
29 information check is submitted to the federal bureau of
30 investigation;

31 (i) Application, reinstatement, and renewal fees for licenses
32 issued under this chapter and chapter 69.51A RCW, and fees for
33 anything done or permitted to be done under the rules adopted to
34 implement and enforce this chapter and chapter 69.51A RCW;

35 (j) The manner of giving and serving notices required by this
36 chapter and chapter 69.51A RCW or rules adopted to implement or
37 enforce these chapters;

38 (k) Times and periods when, and the manner, methods, and means by
39 which, licensees (~~shall~~) transport and deliver marijuana, marijuana

1 concentrates, useable marijuana, and marijuana-infused products
2 within the state;

3 (1) Identification, seizure, confiscation, destruction, or
4 donation to law enforcement for training purposes of all marijuana,
5 marijuana concentrates, useable marijuana, and marijuana-infused
6 products produced, processed, sold, or offered for sale within this
7 state which do not conform in all respects to the standards
8 prescribed by this chapter or chapter 69.51A RCW or the rules adopted
9 to implement and enforce these chapters.

10 (2) Rules adopted on retail outlets holding medical marijuana
11 endorsements must be adopted in coordination and consultation with
12 the department.

13 NEW SECTION. **Sec. 1602.** RCW 69.50.425 (Misdemeanor violations—
14 Minimum penalties) and 2015 c 265 s 35, 2002 c 175 s 44, & 1989 c 271
15 s 105 are each repealed.

16 NEW SECTION. **Sec. 1603.** (1) Subject to appropriation, if, in
17 addition to any distributions required by section 206 of this act,
18 funding of at least six million dollars per fiscal year for fiscal
19 years 2016 and 2017 is not provided by June 30, 2015, in the omnibus
20 appropriations act for distribution to local governments for
21 marijuana enforcement, this section is null and void. The
22 appropriation in the omnibus appropriations act must reference this
23 section by bill and section number. Distributions to local
24 governments are based on the distribution formula in subsection (2)
25 of this section.

26 (2)(a) The distribution amount allocated to each county,
27 including the portion for eligible cities within the county, is
28 ratably based on the total amount of taxable sales of marijuana
29 products subject to the marijuana excise tax under RCW 69.50.535 in
30 the prior fiscal year within the county, including all taxable sales
31 attributable to the incorporated areas within the county.
32 Distribution amounts allocated to each county, and eligible cities
33 within the county, must be distributed in four installments by the
34 last day of each fiscal quarter as follows.

35 (b) Sixty percent must be distributed to each county, except
36 where there is no eligible city with taxable sales of marijuana
37 products in the prior fiscal year, in which case the county must
38 receive one hundred percent of the distribution amount allocated to

1 the county as determined in (a) of this subsection. A county in which
2 the producing, processing, or retailing of marijuana products is
3 prohibited in the unincorporated area of the county is not entitled
4 to a distribution and the distribution amount must be distributed
5 instead to the eligible cities within the county as provided in (c)
6 of this subsection.

7 (c) After making any distribution to counties as provided in (b)
8 of this subsection, the treasurer must distribute the remaining
9 amount to eligible cities within the counties. The share to each
10 eligible city within a county must be determined by a division among
11 the eligible cities within each county ratably based on total sales,
12 from the prior fiscal year, of all marijuana products subject to the
13 marijuana excise tax under RCW 69.50.535 within the boundaries of
14 each eligible city located within the county. "Eligible city" means
15 any city or town in which sales of marijuana products are
16 attributable to a marijuana retailer, as defined in RCW 69.50.101,
17 located within the boundaries of the city or town.

18 (d) By September 15th of each year, the state liquor and cannabis
19 board must provide the state treasurer the annual distribution
20 amount, if any, for each county and city as determined in subsection
21 (2) of this section.

22 NEW SECTION. **Sec. 1604.** If any provision of this act or its
23 application to any person or circumstance is held invalid, the
24 remainder of the act or the application of the provision to other
25 persons or circumstances is not affected.

26 NEW SECTION. **Sec. 1605.** Section 302(9) of this act applies
27 prospectively to new licenses issued on or after the effective date
28 of this section. This act is also intended to be applied to the
29 renewal of existing licenses issued under this chapter and no
30 existing license may be renewed for locations that are in violation
31 of the provisions of this act.

32 NEW SECTION. **Sec. 1606.** (1) Except as provided otherwise in
33 this section, this act is necessary for the immediate preservation of
34 the public peace, health, or safety, or support of the state
35 government and its existing public institutions, and takes effect
36 July 1, 2015.

1 (2) Except for section 503 of this act, part V of this act takes
2 effect October 1, 2015.

3 (3) Sections 203 and 1001 of this act take effect July 1, 2016.

4 (4) Section 1003 of this act takes effect April 24, 2015.

5 (5) Sections 302, 503, 901, 1203, and 1601 of this act and part
6 XV of this act take effect July 24, 2015.

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