HOUSE BILL 2301

State of Washington 65th Legislature 2018 Regular Session

By Representatives Walsh, Shea, Muri, McDonald, Blake, Pike, Kraft, and Young

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- AN ACT Relating to the appropriation to counties of moneys from 1 2
- the dedicated marijuana account for the purpose of funding legal
- 3 services for indigent defendants in criminal cases; and amending RCW
- 4 69.50.540.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 5
- 6 RCW 69.50.540 and 2017 3rd sp.s. c 1 s 979 are each 7 amended to read as follows:
- 8 The legislature must annually appropriate moneys in the dedicated marijuana account created in RCW 69.50.530 as follows: 9
- (1) ((For the purposes listed in this subsection (1), the 10 11 legislature must appropriate to the respective agencies)) Beginning July 1, 2019, 33.3 percent of all moneys in the dedicated marijuana 12
- account must be appropriated annually to the treasurer for 13
- 14 distribution to counties on a pro rata basis in accordance with the
- requirements of this subsection (1). 15
- 16 (a) The moneys distributed to an individual county under this
- 17 subsection must be equal to that county's proportional share of the
- total appropriation authorized under this subsection. The dollar 18
- amount of this proportional share must be calculated on a pro rata 19
- basis as determined by reference to the total excise tax revenues 20

p. 1 HB 2301 1 <u>collected pursuant to RCW 69.50.535 from licensees located in the</u> 2 <u>cities, towns, and unincorporated areas within that county.</u>

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- (b) A county receiving a distribution under this subsection must use the funds for the sole purpose of funding legal services for indigent defendants in criminal cases;
- (2) Following the appropriation required under subsection (1) of this section, and for the purposes listed in this subsection (2), the moneys remaining in the dedicated marijuana account must be appropriated to the respective agencies in amounts sufficient to make the following expenditures on a quarterly basis:
- (a) Beginning July 1, 2015, one hundred twenty-five thousand dollars to the department of social and health services to design and administer the Washington state healthy youth survey, analyze the collected data, and produce reports, in collaboration with the office of the superintendent of public instruction, department of health, department of commerce, family policy council, and state liquor and cannabis board. The survey must be conducted at least every two years and include questions regarding, but not necessarily limited to, academic achievement, age at time of substance use initiation, antisocial behavior of friends, attitudes toward antisocial behavior, attitudes toward substance use, laws and community norms regarding antisocial behavior, family conflict, family management, parental attitudes toward substance use, peer rewarding of antisocial behavior, perceived risk of substance use, and rebelliousness. Funds disbursed under this subsection may be used to expand administration of the healthy youth survey to student populations attending institutions of higher education in Washington;
- (b) Beginning July 1, 2015, fifty thousand dollars to the department of social and health services for the purpose of contracting with the Washington state institute for public policy to conduct the cost-benefit evaluation and produce the reports described in RCW 69.50.550. This appropriation ends after production of the final report required by RCW 69.50.550;
- (c) Beginning July 1, 2015, five thousand dollars to the University of Washington alcohol and drug abuse institute for the creation, maintenance, and timely updating of web-based public education materials providing medically and scientifically accurate information about the health and safety risks posed by marijuana use;
- (d)(i) An amount not less than one million two hundred fifty thousand dollars to the state liquor and cannabis board for

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administration of this chapter as appropriated in the omnibus appropriations act; and

- (ii) Three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2018 and three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2019 to the health professions account established under RCW 43.70.320 for the development and administration of the marijuana authorization database by the department of health. It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;
- (e) Twenty-three thousand seven hundred fifty dollars to the department of enterprise services provided solely for the state building code council established under RCW 19.27.070, to develop and adopt fire and building code provisions related to marijuana processing and extraction facilities. The distribution under this subsection (((1))) (2)(e) is for fiscal year 2016 only;
- $((\frac{(2)}{2}))$ (3) From the amounts <u>remaining</u> in the dedicated marijuana account after appropriation of the amounts identified in subsections (1) <u>and (2)</u> of this section, the legislature must appropriate for the purposes listed in this subsection $((\frac{(2)}{2}))$ (3) as follows:
- (a)(i) Up to fifteen percent to the department of social and health services division of behavioral health and recovery for the development, implementation, maintenance, and evaluation of programs and practices aimed at the prevention or reduction of maladaptive substance use, substance use disorder, substance abuse or substance dependence, as these terms are defined in the Diagnostic and Statistical Manual of Mental Disorders, among middle school and high school-age students, whether as an explicit goal of a given program or practice or as a consistently corresponding effect of its implementation, mental health services for children and youth, and services for pregnant and parenting women; PROVIDED, That:
- (A) Of the funds appropriated under (a)(i) of this subsection for new programs and new services, at least eighty-five percent must be directed to evidence-based or research-based programs and practices that produce objectively measurable results and, by September 1, 2020, are cost-beneficial; and
- 36 (B) Up to fifteen percent of the funds appropriated under (a)(i)
 37 of this subsection for new programs and new services may be directed
 38 to proven and tested practices, emerging best practices, or promising
 39 practices.

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

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- (iii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of twenty-seven million seven hundred eighty-six thousand dollars, and for each subsequent fiscal year thereafter, the legislature must appropriate a minimum of twenty-five million five hundred thirty-six thousand dollars under this subsection (((2))) (3)(a);
- 12 (b)(i) Up to ten percent to the department of health for the 13 following, subject to (b)(ii) of this subsection $((\frac{2}{2}))$ (3):
- 14 (A) Creation, implementation, operation, and management of a 15 marijuana education and public health program that contains the 16 following:
 - (I) A marijuana use public health hotline that provides referrals to substance abuse treatment providers, utilizes evidence-based or research-based public health approaches to minimizing the harms associated with marijuana use, and does not solely advocate an abstinence-only approach;
 - (II) A grants program for local health departments or other local community agencies that supports development and implementation of coordinated intervention strategies for the prevention and reduction of marijuana use by youth; and
 - (III) Media-based education campaigns across television, internet, radio, print, and out-of-home advertising, separately targeting youth and adults, that provide medically and scientifically accurate information about the health and safety risks posed by marijuana use;
 - (B) The Washington poison control center; and
- 32 (C) During the 2015-2017 fiscal biennium, the funds appropriated 33 under this subsection $((\frac{2}{2}))$ (3)(b) may be used for prevention 34 activities that target youth and populations with a high incidence of tobacco use.
- 36 (ii) For the fiscal year beginning July 1, 2016, the legislature 37 must appropriate a minimum of seven million five hundred thousand 38 dollars and for each subsequent fiscal year thereafter, the 39 legislature must appropriate a minimum of nine million seven hundred 40 fifty thousand dollars under this subsection $((\frac{1}{2}))$ (3)(b);

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(c)(i) Up to six-tenths of one percent to the University of Washington and four-tenths of one percent to Washington State University for research on the short and long-term effects of marijuana use, to include but not be limited to formal and informal methods for estimating and measuring intoxication and impairment, and for the dissemination of such research.

- (ii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of two hundred seven thousand dollars and for each subsequent fiscal year, except for the 2017-2019 fiscal biennium, the legislature must appropriate a minimum of one million twenty-one thousand dollars to the University of Washington. For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of one hundred thirty-eight thousand dollars and for each subsequent fiscal year thereafter, except for the 2017-2019 fiscal biennium, a minimum of six hundred eighty-one thousand dollars to Washington State University under this subsection $((\frac{2}{2}))$ (3)(c). It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;
 - (d) Fifty percent to the state basic health plan trust account to be administered by the Washington basic health plan administrator and used as provided under chapter 70.47 RCW;
 - (e) Five percent to the Washington state health care authority to be expended exclusively through contracts with community health centers to provide primary health and dental care services, migrant health services, and maternity health care services as provided under RCW 41.05.220;
 - (f)(i) Up to three-tenths of one percent to the office of the superintendent of public instruction to fund grants to building bridges programs under chapter 28A.175 RCW.
 - (ii) For the fiscal year beginning July 1, 2016, and each subsequent fiscal year, the legislature must appropriate a minimum of five hundred eleven thousand dollars to the office of the superintendent of public instruction under this subsection $((\frac{2}{2}))$ (3)(f); and
 - (g) At the end of each fiscal year, the treasurer must transfer into the general fund any amounts in the dedicated marijuana account that are not appropriated pursuant to subsections (1) through (3) of this section ((and this subsection (2) into the general fund)), except as provided in (g)(i) of this subsection ($(\frac{(2)}{2})$) (3).

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

- (A) Thirty percent must be distributed to counties, cities, and towns where licensed marijuana retailers are physically located. Each jurisdiction must receive a share of the revenue distribution under this subsection $((\frac{2}{2}))$ (3)(g)(i)(A) based on the proportional share of the total revenues generated in the individual jurisdiction from the taxes collected under RCW 69.50.535, from licensed marijuana retailers physically located in each jurisdiction. For purposes of this subsection $((\frac{2}{2}))$ (3)(g)(i)(A), one hundred percent of the proportional amount attributed to a retailer physically located in a city or town must be distributed to the city or town.
- (B) Seventy percent must be distributed to counties, cities, and towns ratably on a per capita basis. Counties must receive sixty percent of the distribution, which must be disbursed based on each county's total proportional population. Funds may only be distributed to jurisdictions that do not prohibit the siting of any state licensed marijuana producer, processor, or retailer.
- (ii) Distribution amounts allocated to each county, city, and town must be distributed in four installments by the last day of each fiscal quarter.
- (iii) By September 15th of each year, the state liquor and cannabis board must provide the state treasurer the annual distribution amount, if any, for each county and city as determined in (g)(i) of this subsection $((\frac{(2)}{2}))$ (3).
- (iv) The total share of marijuana excise tax revenues distributed to counties and cities in (g)(i) of this subsection $((\frac{(2)}{2}))$ may not exceed six million dollars in fiscal years 2018 and 2019 and twenty million dollars per fiscal year thereafter. However, if the February 2018 forecast of state revenues for the general fund in the 2017-2019 fiscal biennium exceeds the amount estimated in the June 2017 revenue forecast by over eighteen million dollars after adjusting for changes directly related to legislation adopted in the 2017 legislative session, the total share of marijuana excise tax revenue distributed to counties and cities in (g)(i) of this

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- 1 subsection $((\frac{2}{2}))$ may not exceed fifteen million dollars in
- 2 fiscal years 2018 and 2019. It is the intent of the legislature that
- 3 the policy for the maximum distributions in the subsequent fiscal
- 4 biennia will be no more than ((\$6)) \underline{six} million $\underline{dollars}$ per fiscal
- 5 year.
- 6 For the purposes of this section, "marijuana products" means
- 7 "useable marijuana," "marijuana concentrates," and "marijuana-infused
- 8 products" as those terms are defined in RCW 69.50.101.

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