
HOUSE BILL 2630

State of Washington

65th Legislature

2018 Regular Session

By Representatives Griffey, MacEwen, and Van Werven

Read first time 01/11/18. Referred to Committee on Commerce & Gaming.

1 AN ACT Relating to ensuring marijuana license applicants are in
2 compliance with local ordinances; and amending RCW 69.50.331.

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

4 **Sec. 1.** RCW 69.50.331 and 2017 c 317 s 2 are each amended to
5 read as follows:

6 (1) For the purpose of considering any application for a license
7 to produce, process, research, transport, or deliver marijuana,
8 useable marijuana, marijuana concentrates, or marijuana-infused
9 products subject to the regulations established under RCW 69.50.385,
10 or sell marijuana, or for the renewal of a license to produce,
11 process, research, transport, or deliver marijuana, useable
12 marijuana, marijuana concentrates, or marijuana-infused products
13 subject to the regulations established under RCW 69.50.385, or sell
14 marijuana, the state liquor and cannabis board must conduct a
15 comprehensive, fair, and impartial evaluation of the applications
16 timely received.

17 (a) The state liquor and cannabis board may cause an inspection
18 of the premises to be made, and may inquire into all matters in
19 connection with the construction and operation of the premises. For
20 the purpose of reviewing any application for a license and for
21 considering the denial, suspension, revocation, or renewal or denial

1 thereof, of any license, the state liquor and cannabis board may
2 consider any prior criminal conduct of the applicant including an
3 administrative violation history record with the state liquor and
4 cannabis board and a criminal history record information check. The
5 state liquor and cannabis board may submit the criminal history
6 record information check to the Washington state patrol and to the
7 identification division of the federal bureau of investigation in
8 order that these agencies may search their records for prior arrests
9 and convictions of the individual or individuals who filled out the
10 forms. The state liquor and cannabis board must require
11 fingerprinting of any applicant whose criminal history record
12 information check is submitted to the federal bureau of
13 investigation. The provisions of RCW 9.95.240 and of chapter 9.96A
14 RCW do not apply to these cases. Subject to the provisions of this
15 section, the state liquor and cannabis board may, in its discretion,
16 grant or deny the renewal or license applied for. Denial may be based
17 on, without limitation, the existence of chronic illegal activity
18 documented in objections submitted pursuant to subsections (7)(c) and
19 (10) of this section. Authority to approve an uncontested or
20 unopposed license may be granted by the state liquor and cannabis
21 board to any staff member the board designates in writing. Conditions
22 for granting this authority must be adopted by rule.

23 (b) No license of any kind may be issued to:

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

25 (ii) A person doing business as a sole proprietor who has not
26 lawfully resided in the state for at least six months prior to
27 applying to receive a license;

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

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

35 (2)(a) The state liquor and cannabis board may, in its
36 discretion, subject to the provisions of RCW 69.50.334, suspend or
37 cancel any license; and all protections of the licensee from criminal
38 or civil sanctions under state law for producing, processing,
39 researching, or selling marijuana, marijuana concentrates, useable

1 marijuana, or marijuana-infused products thereunder must be suspended
2 or terminated, as the case may be.

3 (b) The state liquor and cannabis board must immediately suspend
4 the license of a person who has been certified pursuant to RCW
5 74.20A.320 by the department of social and health services as a
6 person who is not in compliance with a support order. If the person
7 has continued to meet all other requirements for reinstatement during
8 the suspension, reissuance of the license is automatic upon the state
9 liquor and cannabis board's receipt of a release issued by the
10 department of social and health services stating that the licensee is
11 in compliance with the order.

12 (c) The state liquor and cannabis board may request the
13 appointment of administrative law judges under chapter 34.12 RCW who
14 shall have power to administer oaths, issue subpoenas for the
15 attendance of witnesses and the production of papers, books,
16 accounts, documents, and testimony, examine witnesses, and to receive
17 testimony in any inquiry, investigation, hearing, or proceeding in
18 any part of the state, under rules and regulations the state liquor
19 and cannabis board may adopt.

20 (d) Witnesses must be allowed fees and mileage each way to and
21 from any inquiry, investigation, hearing, or proceeding at the rate
22 authorized by RCW 34.05.446. Fees need not be paid in advance of
23 appearance of witnesses to testify or to produce books, records, or
24 other legal evidence.

25 (e) In case of disobedience of any person to comply with the
26 order of the state liquor and cannabis board or a subpoena issued by
27 the state liquor and cannabis board, or any of its members, or
28 administrative law judges, or on the refusal of a witness to testify
29 to any matter regarding which he or she may be lawfully interrogated,
30 the judge of the superior court of the county in which the person
31 resides, on application of any member of the board or administrative
32 law judge, compels obedience by contempt proceedings, as in the case
33 of disobedience of the requirements of a subpoena issued from said
34 court or a refusal to testify therein.

35 (3) Upon receipt of notice of the suspension or cancellation of a
36 license, the licensee must forthwith deliver up the license to the
37 state liquor and cannabis board. Where the license has been suspended
38 only, the state liquor and cannabis board must return the license to
39 the licensee at the expiration or termination of the period of
40 suspension. The state liquor and cannabis board must notify all other

1 licensees in the county where the subject licensee has its premises
2 of the suspension or cancellation of the license; and no other
3 licensee or employee of another licensee may allow or cause any
4 marijuana, marijuana concentrates, useable marijuana, or marijuana-
5 infused products to be delivered to or for any person at the premises
6 of the subject licensee.

7 (4) Every license issued under this chapter is subject to all
8 conditions and restrictions imposed by this chapter or by rules
9 adopted by the state liquor and cannabis board to implement and
10 enforce this chapter. All conditions and restrictions imposed by the
11 state liquor and cannabis board in the issuance of an individual
12 license must be listed on the face of the individual license along
13 with the trade name, address, and expiration date.

14 (5) Every licensee must post and keep posted its license, or
15 licenses, in a conspicuous place on the premises.

16 (6) No licensee may employ any person under the age of twenty-one
17 years.

18 (7)(a) Before the state liquor and cannabis board issues a new or
19 renewed license to an applicant it must give notice of the
20 application to the chief executive officer of the incorporated city
21 or town, if the application is for a license within an incorporated
22 city or town, or to the county legislative authority, if the
23 application is for a license outside the boundaries of incorporated
24 cities or towns, or to the tribal government if the application is
25 for a license within Indian country, or to the port authority if the
26 application for a license is located on property owned by a port
27 authority.

28 (b) The incorporated city or town through the official or
29 employee selected by it, the county legislative authority or the
30 official or employee selected by it, the tribal government, or port
31 authority has the right to file with the state liquor and cannabis
32 board within twenty days after the date of transmittal of the notice
33 for applications, or at least thirty days prior to the expiration
34 date for renewals, written objections against the applicant or
35 against the premises for which the new or renewed license is asked.
36 The state liquor and cannabis board may extend the time period for
37 submitting written objections upon request from the authority
38 notified by the state liquor and cannabis board.

39 (c) The written objections must include a statement of all facts
40 upon which the objections are based, and in case written objections

1 are filed, the city or town or county legislative authority may
2 request, and the state liquor and cannabis board may in its
3 discretion hold, a hearing subject to the applicable provisions of
4 Title 34 RCW. If the state liquor and cannabis board makes an initial
5 decision to deny a license or renewal based on the written objections
6 of an incorporated city or town or county legislative authority, the
7 applicant may request a hearing subject to the applicable provisions
8 of Title 34 RCW. If a hearing is held at the request of the
9 applicant, state liquor and cannabis board representatives must
10 present and defend the state liquor and cannabis board's initial
11 decision to deny a license or renewal.

12 (d)(i) Before the state liquor and cannabis board issues a new or
13 renewed license to an applicant for a marijuana producer, processor,
14 or retailer license, the applicant must provide to the board written
15 proof, as deemed appropriate by the board, that the local
16 jurisdiction within which the applicant's premises is located or is
17 proposed to be located has determined the applicant is in compliance
18 with all applicable local ordinances and regulations.

19 (ii) If an applicant satisfies all requirements of license
20 issuance or renewal in this chapter, except for the requirement in
21 (d)(i) of this subsection, the state liquor and cannabis board shall
22 tentatively approve but not issue the license. If within six months
23 of tentatively approving the license application the applicant
24 provides the board with written proof of compliance with all local
25 ordinances and regulations as required in (d)(i) of this subsection,
26 the board shall issue the license. If the applicant does not provide
27 such written proof to the board within six months of the date of
28 tentative license approval, the board must deny the license.

29 (iii) During any time in which a marijuana producer, processor,
30 or retailer's license is tentatively approved, the person or business
31 with the tentative approval may not engage in any conduct related to
32 producing, processing, transporting, transferring, or selling
33 marijuana or marijuana products for which a license is required
34 pursuant to this chapter.

35 (e) Upon the granting of a license under this title the state
36 liquor and cannabis board must send written notification to the chief
37 executive officer of the incorporated city or town in which the
38 license is granted, or to the county legislative authority if the
39 license is granted outside the boundaries of incorporated cities or
40 towns.

1 (8)(a) Except as provided in (b) through (d) of this subsection,
2 the state liquor and cannabis board may not issue a license for any
3 premises within one thousand feet of the perimeter of the grounds of
4 any elementary or secondary school, playground, recreation center or
5 facility, child care center, public park, public transit center, or
6 library, or any game arcade admission to which is not restricted to
7 persons aged twenty-one years or older.

8 (b) A city, county, or town may permit the licensing of premises
9 within one thousand feet but not less than one hundred feet of the
10 facilities described in (a) of this subsection, except elementary
11 schools, secondary schools, and playgrounds, by enacting an ordinance
12 authorizing such distance reduction, provided that such distance
13 reduction will not negatively impact the jurisdiction's civil
14 regulatory enforcement, criminal law enforcement interests, public
15 safety, or public health.

16 (c) A city, county, or town may permit the licensing of research
17 premises allowed under RCW 69.50.372 within one thousand feet but not
18 less than one hundred feet of the facilities described in (a) of this
19 subsection by enacting an ordinance authorizing such distance
20 reduction, provided that the ordinance will not negatively impact the
21 jurisdiction's civil regulatory enforcement, criminal law
22 enforcement, public safety, or public health.

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

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

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

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

36 (e) The state liquor and cannabis board may not issue a license
37 for any premises within Indian country, as defined in 18 U.S.C. Sec.
38 1151, including any fee patent lands within the exterior boundaries
39 of a reservation, without the consent of the federally recognized
40 tribe associated with the reservation or Indian country.

1 (9) A city, town, or county may adopt an ordinance prohibiting a
2 marijuana producer or marijuana processor from operating or locating
3 a business within areas zoned primarily for residential use or rural
4 use with a minimum lot size of five acres or smaller.

5 (10) In determining whether to grant or deny a license or renewal
6 of any license, the state liquor and cannabis board must give
7 substantial weight to objections from an incorporated city or town or
8 county legislative authority based upon chronic illegal activity
9 associated with the applicant's operations of the premises proposed
10 to be licensed or the applicant's operation of any other licensed
11 premises, or the conduct of the applicant's patrons inside or outside
12 the licensed premises. "Chronic illegal activity" means (a) a
13 pervasive pattern of activity that threatens the public health,
14 safety, and welfare of the city, town, or county including, but not
15 limited to, open container violations, assaults, disturbances,
16 disorderly conduct, or other criminal law violations, or as
17 documented in crime statistics, police reports, emergency medical
18 response data, calls for service, field data, or similar records of a
19 law enforcement agency for the city, town, county, or any other
20 municipal corporation or any state agency; or (b) an unreasonably
21 high number of citations for violations of RCW 46.61.502 associated
22 with the applicant's or licensee's operation of any licensed premises
23 as indicated by the reported statements given to law enforcement upon
24 arrest.

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