## SENATE BILL 5451

State of Washington 65th Legislature 2017 Regular Session

By Senators Rivers, Palumbo, and Mullet

Read first time 01/25/17. Referred to Committee on Commerce, Labor & Sports.

- 1 AN ACT Relating to transfer of immature marijuana plants and
- 2 marijuana seeds between licensed marijuana researchers and licensed
- 3 marijuana producers; amending RCW 69.50.366, 69.50.372, and
- 4 69.50.382; and reenacting and amending RCW 69.50.101.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 69.50.101 and 2015 2nd sp.s. c 4 s 901 are each reenacted and amended to read as follows:
- 8 The definitions in this section apply throughout this chapter 9 unless the context clearly requires otherwise.
- 10 (a) "Administer" means to apply a controlled substance, whether 11 by injection, inhalation, ingestion, or any other means, directly to 12 the body of a patient or research subject by:
- 13 (1) a practitioner authorized to prescribe (or, by the 14 practitioner's authorized agent); or
- 15 (2) the patient or research subject at the direction and in the 16 presence of the practitioner.
- (b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.

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- 1 (c) "CBD concentration" has the meaning provided in RCW 2 69.51A.010.
  - (d) "Commission" means the pharmacy quality assurance commission.
- 4 (e) "Controlled substance" means a drug, substance, or immediate 5 precursor included in Schedules I through V as set forth in federal 6 or state laws, or federal or commission rules.
  - (f)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:
- (i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or
  - (ii) with respect to a particular individual, that the individual represents or intends to have a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II.
    - (2) The term does not include:
- 21 (i) a controlled substance;

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- 22 (ii) a substance for which there is an approved new drug 23 application;
  - (iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the extent conduct with respect to the substance is pursuant to the exemption; or
- 29 (iv) any substance to the extent not intended for human 30 consumption before an exemption takes effect with respect to the 31 substance.
- 32 (g) "Deliver" or "delivery( $(\tau)$ )" means the actual or constructive 33 transfer from one person to another of a substance, whether or not 34 there is an agency relationship.
  - (h) "Department" means the department of health.
- 36 (i) "Designated provider" has the meaning provided in RCW 37 69.51A.010.
- (j) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or

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1 packaging necessary to prepare that prescription or order for 2 delivery.

(k) "Dispenser" means a practitioner who dispenses.

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- (1) "Distribute" means to deliver other than by administering or dispensing a controlled substance.
  - (m) "Distributor" means a person who distributes.
- 7 (n) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the 8 official homeopathic pharmacopoeia of the United States, or any 9 supplement to them; (2) controlled substances intended for use in the 10 diagnosis, cure, mitigation, treatment, or prevention of disease in 11 12 individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of 13 individuals or animals; and (4) controlled substances intended for 14 use as a component of any article specified in (1), (2), or (3) of 15 16 this subsection. The term does not include devices or their 17 components, parts, or accessories.
  - (o) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.
  - (p) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization verbally transmitted by telephone nor a facsimile manually signed by the practitioner.
  - (q) "Immature plant" means a plant that has no flowers, is less than twelve inches in height, and is less than twelve inches in diameter.
    - (r) "Immediate precursor" means a substance:
- 30 (1) that the commission has found to be and by rule designates as 31 being the principal compound commonly used, or produced primarily for 32 use, in the manufacture of a controlled substance;
  - (2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and
- 35 (3) the control of which is necessary to prevent, curtail, or 36 limit the manufacture of the controlled substance.
- $((\frac{r}{r}))$  (s) "Isomer" means an optical isomer, but in subsection  $((\frac{r}{r}))$  (ee)(5) of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4), the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any

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positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term includes any positional or geometric isomer.

- $((\frac{(s)}{(s)}))$  <u>(t)</u> "Lot" means a definite quantity of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product identified by a lot number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.
- $((\frac{t}{t}))$  (u) "Lot number" must identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product.
- $((\frac{\langle u \rangle}{}))$  <u>(v)</u> "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:
- (1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or
- (2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.
- $((\frac{\langle \mathbf{v} \rangle}{}))$  (w) "Marijuana" or "marihuana" means all parts of the plant Cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

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- $((\frac{\langle \mathbf{x} \rangle}))$  <u>(y)</u> "Marijuana processor" means a person licensed by the state liquor and cannabis board to process marijuana into marijuana concentrates, useable marijuana, and marijuana-infused products, package and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale in retail outlets, and sell marijuana concentrates, useable marijuana, and marijuana-infused products at wholesale to marijuana retailers.
- $((\frac{y}{y}))$  (z) "Marijuana producer" means a person licensed by the state liquor and cannabis board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.
- $((\frac{2}{2}))$  <u>(aa)</u> "Marijuana products" means useable marijuana, marijuana concentrates, and marijuana-infused products as defined in this section.
- ((<del>(aa)</del>)) <u>(bb)</u> "Marijuana researcher" means a person licensed by the state liquor and cannabis board to produce, process, and possess marijuana for the purposes of conducting research on marijuana and marijuana-derived drug products.
- ((<del>(bb)</del>)) <u>(cc)</u> "Marijuana retailer" means a person licensed by the state liquor and cannabis board to sell marijuana concentrates, useable marijuana, and marijuana-infused products in a retail outlet.
- $((\frac{\langle ee \rangle}{\langle ee \rangle}))$  (dd) "Marijuana-infused products" means products that contain marijuana or marijuana extracts, are intended for human use, are derived from marijuana as defined in subsection  $((\frac{\langle v \rangle}{\langle v \rangle}))$  (w) of this section, and have a THC concentration no greater than ten percent. The term "marijuana-infused products" does not include either useable marijuana or marijuana concentrates.
- ((\(\frac{(dd)}{)}\)) (ee) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:
- (1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.
- 39 (2) Synthetic opiate and any derivative of synthetic opiate, 40 including their isomers, esters, ethers, salts, and salts of isomers,

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- esters, and ethers, whenever the existence of the isomers, esters, the ethers, and salts is possible within the specific chemical designation.
  - (3) Poppy straw and concentrate of poppy straw.
- 5 (4) Coca leaves, except coca leaves and extracts of coca leaves 6 from which cocaine, ecgonine, and derivatives or ecgonine or their 7 salts have been removed.
  - (5) Cocaine, or any salt, isomer, or salt of isomer thereof.
- 9 (6) Cocaine base.

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- 10 (7) Ecgonine, or any derivative, salt, isomer, or salt of isomer 11 thereof.
- 12 (8) Any compound, mixture, or preparation containing any quantity 13 of any substance referred to in subparagraphs (1) through (7).
  - ((<del>(ee)</del>)) (<u>ff</u>) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.
- 23  $((\frac{ff}))$  (gg) "Opium poppy" means the plant of the species 24 Papaver somniferum L., except its seeds.
- ((<del>gg)</del>)) (<u>hh)</u> "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.
- 29  $((\frac{hh}{h}))$  (ii) "Plant" has the meaning provided in RCW 69.51A.010.
- 30  $((\frac{(ii)}{)})$  "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.
  - $((\frac{(jj)}{)}))$  (kk) "Practitioner" means:
- (1) A physician under chapter 18.71 RCW; a physician assistant 33 under chapter 18.71A RCW; an osteopathic physician and surgeon under 34 chapter 18.57 RCW; an osteopathic physician assistant under chapter 35 18.57A RCW who is licensed under RCW 18.57A.020 subject to any 36 limitations in RCW 18.57A.040; an optometrist licensed under chapter 37 18.53 RCW who is certified by the optometry board under RCW 18.53.010 38 39 subject to any limitations in RCW 18.53.010; a dentist under chapter 40 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW;

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- 1 a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under 2 chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW 3 who is licensed under RCW 18.36A.030 subject to any limitations in 4 RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific 5 6 investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to 7 distribute, dispense, conduct research with respect to or administer 8 a controlled substance in the course of their professional practice 9 or research in this state. 10
  - (2) A pharmacy, hospital or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state.

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- (3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical quality assurance commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.
- (((kk))) (11) "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.
- 31 ((<del>(11)</del>)) <u>(mm)</u> "Production" includes the manufacturing, planting, 32 cultivating, growing, or harvesting of a controlled substance.
- $((\frac{\text{(mm)}}{\text{)}}))$  (nn) "Qualifying patient" has the meaning provided in RCW 69.51A.010.
- $((\frac{nn}{n}))$  (oo) "Recognition card" has the meaning provided in RCW 69.51A.010.
- ((<del>(oo)</del>)) <u>(pp)</u> "Retail outlet" means a location licensed by the state liquor and cannabis board for the retail sale of marijuana concentrates, useable marijuana, and marijuana-infused products.

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1  $((\frac{pp}{p}))$   $\frac{qq}{qq}$  "Secretary" means the secretary of health or the 2 secretary's designee.

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- $((\frac{qq}))$  <u>(rr)</u> "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.
- ((<del>rr)</del>)) <u>(ss)</u> "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.
- ((<del>(ss)</del>)) (tt) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.
- 18 ((<del>(tt)</del>)) <u>(uu)</u> "Useable marijuana" means dried marijuana flowers. 19 The term "useable marijuana" does not include either marijuana-20 infused products or marijuana concentrates.
- 21 **Sec. 2.** RCW 69.50.366 and 2015 c 207 s 8 are each amended to 22 read as follows:
  - The following acts, when performed by a validly licensed marijuana producer or employee of a validly licensed marijuana producer in compliance with rules adopted by the state liquor ((control)) and cannabis board to implement and enforce this chapter ((3, Laws of 2013)), do not constitute criminal or civil offenses under Washington state law:
- 29 (1) Production or possession of quantities of marijuana that do 30 not exceed the maximum amounts established by the state liquor 31 ((control)) and cannabis board under RCW 69.50.345(3);
- (2) Delivery, distribution, and sale of marijuana to a marijuana processor or another marijuana producer validly licensed under this chapter ((3, Laws of 2013)); ((and))
- 35 (3) <u>Delivery</u>, <u>distribution</u>, <u>and sale of immature marijuana plants</u>
  36 <u>and marijuana seeds to a licensed marijuana researcher</u>, <u>and to</u>
  37 <u>receive or purchase immature plants and seeds from a licensed</u>
  38 marijuana researcher; and

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- (4) Delivery, distribution, and sale of marijuana or useable marijuana to a federally recognized Indian tribe as permitted under an agreement between the state and the tribe entered into under RCW 43.06.490.
- 5 **Sec. 3.** RCW 69.50.372 and 2016 sp.s. c 9 s 1 are each amended to 6 read as follows:
- 7 (1) A marijuana research license is established that permits a 8 licensee to produce, process, and possess marijuana for the following 9 limited research purposes:
- 10 (a) To test chemical potency and composition levels;
- 11 (b) To conduct clinical investigations of marijuana-derived drug 12 products;
- 13 (c) To conduct research on the efficacy and safety of 14 administering marijuana as part of medical treatment; and
  - (d) To conduct genomic or agricultural research.

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- (2) As part of the application process for a marijuana research license, an applicant must submit to the liquor and cannabis board's designated scientific reviewer a description of the research that is intended to be conducted. The liquor and cannabis board must select a scientific reviewer to review an applicant's research project and determine that it meets the requirements of subsection (1) of this section, as well as assess the following:
  - (a) Project quality, study design, value, or impact;
- (b) Whether applicants have the appropriate personnel, expertise, facilities/infrastructure, funding, and human/animal/other federal approvals in place to successfully conduct the project; and
- (c) Whether the amount of marijuana to be grown by the applicant is consistent with the project's scope and goals.
- If the scientific reviewer determines that the research project does not meet the requirements of subsection (1) of this section, the application must be denied.
- 32 (3) A marijuana research licensee may only sell marijuana grown 33 or within its operation to other marijuana research licensees. The 34 liquor and cannabis board may revoke a marijuana research license for 35 violations of this subsection.
  - (4) A marijuana research licensee may contract with the University of Washington or Washington State University to perform research in conjunction with the university. All research projects, not including those projects conducted pursuant to a contract entered

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- into under RCW 28B.20.502(3), must be approved by the scientific reviewer and meet the requirements of subsection (1) of this section.
- 3 (5) In establishing a marijuana research license, the liquor and 4 cannabis board may adopt rules on the following:
  - (a) Application requirements;

- (b) Marijuana research license renewal requirements, including whether additional research projects may be added or considered;
  - (c) Conditions for license revocation;
- 9 (d) Security measures to ensure marijuana is not diverted to 10 purposes other than research;
  - (e) Amount of plants, useable marijuana, marijuana concentrates, or marijuana-infused products a licensee may have on its premises;
    - (f) Licensee reporting requirements;
  - (g) Conditions under which marijuana grown by marijuana processors may be donated to marijuana research licensees; and
- 16 (h) Additional requirements deemed necessary by the liquor and 17 cannabis board.
  - (6) The production, processing, possession, delivery, donation, and sale of marijuana, including immature marijuana plants and marijuana seeds, in accordance with this section, RCW 69.50.366(3), and the rules adopted to implement and enforce ((it)) this section and RCW 69.50.366(3), by a validly licensed marijuana researcher, shall not be a criminal or civil offense under Washington state law. Every marijuana research license must be issued in the name of the applicant, must specify the location at which the marijuana researcher intends to operate, which must be within the state of Washington, and the holder thereof may not allow any other person to use the license.
  - (7) The application fee for a marijuana research license is two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana research license is one thousand dollars. The applicant must pay the cost of the review process directly to the scientific reviewer as designated by the liquor and cannabis board.
  - (8) The scientific reviewer shall review any reports made by marijuana research licensees under liquor and cannabis board rule and provide the liquor and cannabis board with its determination on whether the research project continues to meet research qualifications under this section.
  - (9) For the purposes of this section, "scientific reviewer" means an organization that convenes or contracts with persons who have the

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- 1 training and experience in research practice and research methodology to determine whether a project meets the criteria for a marijuana 2 research license under this section and to review any reports 3 submitted by marijuana research licensees under liquor and cannabis 4 board rule. "Scientific reviewers" include, but are not limited to, 5 6 educational institutions, research institutions, peer review bodies, or such other organizations that are focused on science or research 7 in its day-to-day activities. 8
  - **Sec. 4.** RCW 69.50.382 and 2015 2nd sp.s. c 4 s 501 are each amended to read as follows:

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- (1) A licensed marijuana producer, marijuana processor, marijuana researcher, or marijuana retailer, or their employees, in accordance with the requirements of this chapter and the administrative rules adopted thereunder, may use the services of a common carrier subject to regulation under chapters 81.28 and 81.29 RCW and licensed in compliance with the regulations established under RCW 69.50.385, to physically transport or deliver, as authorized under this chapter, marijuana, useable marijuana, marijuana concentrates, immature marijuana plants, marijuana seeds, and marijuana-infused products between licensed marijuana businesses located within the state.
- (2) An employee of a common carrier engaged in marijuana-related transportation or delivery services authorized under subsection (1) of this section is prohibited from carrying or using a firearm during the course of providing such services, unless:
- (a) Pursuant to RCW 69.50.385, the state liquor and cannabis board explicitly authorizes the carrying or use of firearms by such employee while engaged in the transportation or delivery services;
- 28 (b) The employee has an armed private security guard license 29 issued pursuant to RCW 18.170.040; and
- 30 (c) The employee is in full compliance with the regulations 31 established by the state liquor and cannabis board under RCW 32 69.50.385.
  - (3) A common carrier licensed under RCW 69.50.385 may, for the purpose of transporting and delivering marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products, utilize Washington state ferry routes for such transportation and delivery.
  - (4) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding

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- 1 those that may be established under RCW 69.50.385(3), by a licensed
- 2 employee of a common carrier when performing the duties authorized
- 3 under, and in accordance with, this section and RCW 69.50.385, is not
- 4 a violation of this section, this chapter, or any other provision of
- 5 Washington state law.

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