

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1415

66th Legislature
2019 Regular Session

Passed by the House March 8, 2019
Yeas 98 Nays 0

Speaker of the House of Representatives

Passed by the Senate April 16, 2019
Yeas 48 Nays 0

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1415** as passed by House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1415

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By House Appropriations (originally sponsored by Representatives Schmick and Cody; by request of Department of Health)

READ FIRST TIME 02/19/19.

1 AN ACT Relating to funding the medical marijuana authorization
2 database; amending RCW 43.70.320 and 69.51A.230; providing an
3 effective date; and declaring an emergency.

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

5 **Sec. 1.** RCW 43.70.320 and 2017 c 108 s 7 are each amended to
6 read as follows:

7 (1) There is created in the state treasury an account to be known
8 as the health professions account. All fees received by the
9 department for health professions licenses, registration,
10 certifications, renewals, compact privileges, or examinations and the
11 civil penalties assessed and collected by the department under RCW
12 18.130.190 shall be forwarded to the state treasurer who shall credit
13 such moneys to the health professions account.

14 (2) All expenses incurred in carrying out the health professions
15 licensing activities of the department (~~and implementing and~~
16 ~~administering the medical marijuana authorization database~~
17 ~~established in RCW 69.51A.230~~) shall be paid from the account as
18 authorized by legislative appropriation, except as provided in
19 subsections (4) and (5) of this section. Any residue in the account
20 shall be accumulated and shall not revert to the general fund at the
21 end of the biennium.

1 (3) The secretary shall biennially prepare a budget request based
2 on the anticipated costs of administering the health professions
3 licensing activities of the department which shall include the
4 estimated income from health professions fees.

5 (4) The fees received by the department from applicants for
6 compact privilege under RCW 18.74.500 must be used for the purpose of
7 meeting financial obligations imposed on the state as a result of
8 this state's participation in the physical therapy licensure compact.

9 (5) The secretary shall, at the request of a board or commission
10 as applicable, spend unappropriated funds in the health professions
11 account that are allocated to the requesting board or commission to
12 meet unanticipated costs of that board or commission when revenues
13 exceed more than fifteen percent over the department's estimated
14 six-year spending projections for the requesting board or commission.
15 Unanticipated costs shall be limited to spending as authorized in
16 subsection (3) of this section for anticipated costs.

17 **Sec. 2.** RCW 69.51A.230 and 2015 c 70 s 21 are each amended to
18 read as follows:

19 (1) The department must contract with an entity to create,
20 administer, and maintain a secure and confidential medical marijuana
21 authorization database that, beginning July 1, 2016, allows:

22 (a) A marijuana retailer with a medical marijuana endorsement to
23 add a qualifying patient or designated provider and include the
24 amount of marijuana concentrates, useable marijuana, marijuana-
25 infused products, or plants for which the qualifying patient is
26 authorized under RCW 69.51A.210;

27 (b) Persons authorized to prescribe or dispense controlled
28 substances to access health care information on their patients for
29 the purpose of providing medical or pharmaceutical care for their
30 patients;

31 (c) A qualifying patient or designated provider to request and
32 receive his or her own health care information or information on any
33 person or entity that has queried their name or information;

34 (d) Appropriate local, state, tribal, and federal law enforcement
35 or prosecutorial officials who are engaged in a bona fide specific
36 investigation of suspected marijuana-related activity that may be
37 illegal under Washington state law to confirm the validity of the
38 recognition card of a qualifying patient or designated provider;

1 (e) A marijuana retailer holding a medical marijuana endorsement
2 to confirm the validity of the recognition card of a qualifying
3 patient or designated provider;

4 (f) The department of revenue to verify tax exemptions under
5 chapters 82.08 and 82.12 RCW;

6 (g) The department and the health care professional's
7 disciplining authorities to monitor authorizations and ensure
8 compliance with this chapter and chapter 18.130 RCW by their
9 licensees; and

10 (h) Authorizations to expire six months or one year after entry
11 into the medical marijuana authorization database, depending on
12 whether the authorization is for a minor or an adult.

13 (2) A qualifying patient and his or her designated provider, if
14 any, may be placed in the medical marijuana authorization database at
15 a marijuana retailer with a medical marijuana endorsement. After a
16 qualifying patient or designated provider is placed in the medical
17 marijuana authorization database, he or she must be provided with a
18 recognition card that contains identifiers required in subsection (3)
19 of this section.

20 (3) The recognition card requirements must be developed by the
21 department in rule and include:

22 (a) A randomly generated and unique identifying number;

23 (b) For designated providers, the unique identifying number of
24 the qualifying patient whom the provider is assisting;

25 (c) A photograph of the qualifying patient's or designated
26 provider's face taken by an employee of the marijuana retailer with a
27 medical marijuana endorsement at the same time that the qualifying
28 patient or designated provider is being placed in the medical
29 marijuana authorization database in accordance with rules adopted by
30 the department;

31 (d) The amount of marijuana concentrates, useable marijuana,
32 marijuana-infused products, or plants for which the qualifying
33 patient is authorized under RCW 69.51A.210;

34 (e) The effective date and expiration date of the recognition
35 card;

36 (f) The name of the health care professional who authorized the
37 qualifying patient or designated provider; and

38 (g) For the recognition card, additional security features as
39 necessary to ensure its validity.

1 (4) For qualifying patients who are eighteen years of age or
2 older and their designated providers, recognition cards are valid for
3 one year from the date the health care professional issued the
4 authorization. For qualifying patients who are under the age of
5 eighteen and their designated providers, recognition cards are valid
6 for six months from the date the health care professional issued the
7 authorization. Qualifying patients may not be reentered into the
8 medical marijuana authorization database until they have been
9 reexamined by a health care professional and determined to meet the
10 definition of qualifying patient. After reexamination, a marijuana
11 retailer with a medical marijuana endorsement must reenter the
12 qualifying patient or designated provider into the medical marijuana
13 authorization database and a new recognition card will then be issued
14 in accordance with department rules.

15 (5) If a recognition card is lost or stolen, a marijuana retailer
16 with a medical marijuana endorsement, in conjunction with the
17 database administrator, may issue a new card that will be valid for
18 six months to one year if the patient is reexamined by a health care
19 professional and determined to meet the definition of qualifying
20 patient and depending on whether the patient is under the age of
21 eighteen or eighteen years of age or older as provided in subsection
22 (4) of this section. If a reexamination is not performed, the
23 expiration date of the replacement recognition card must be the same
24 as the lost or stolen recognition card.

25 (6) The database administrator must remove qualifying patients
26 and designated providers from the medical marijuana authorization
27 database upon expiration of the recognition card. Qualifying patients
28 and designated providers may request to remove themselves from the
29 medical marijuana authorization database before expiration of a
30 recognition card and health care professionals may request to remove
31 qualifying patients and designated providers from the medical
32 marijuana authorization database if the patient or provider no longer
33 qualifies for the medical use of marijuana. The database
34 administrator must retain database records for at least five calendar
35 years to permit the state liquor and cannabis board and the
36 department of revenue to verify eligibility for tax exemptions.

37 (7) During development of the medical marijuana authorization
38 database, the database administrator must consult with the
39 department, stakeholders, and persons with relevant expertise to
40 include, but not be limited to, qualifying patients, designated

1 providers, health care professionals, state and local law enforcement
2 agencies, and the University of Washington computer science and
3 engineering security and privacy research lab or a certified
4 cybersecurity firm, vendor, or service.

5 (8) The medical marijuana authorization database must meet the
6 following requirements:

7 (a) Any personally identifiable information included in the
8 database must be nonreversible, pursuant to definitions and standards
9 set forth by the national institute of standards and technology;

10 (b) Any personally identifiable information included in the
11 database must not be susceptible to linkage by use of data external
12 to the database;

13 (c) The database must incorporate current best differential
14 privacy practices, allowing for maximum accuracy of database queries
15 while minimizing the chances of identifying the personally
16 identifiable information included therein; and

17 (d) The database must be upgradable and updated in a timely
18 fashion to keep current with state of the art privacy and security
19 standards and practices.

20 (9)(a) Personally identifiable information of qualifying patients
21 and designated providers included in the medical marijuana
22 authorization database is confidential and exempt from public
23 disclosure, inspection, or copying under chapter 42.56 RCW.

24 (b) Information contained in the medical marijuana authorization
25 database may be released in aggregate form, with all personally
26 (~~identifying~~ [~~identifiable~~]) identifiable information redacted, for
27 the purpose of statistical analysis and oversight of agency
28 performance and actions.

29 (c) Information contained in the medical marijuana authorization
30 database shall not be shared with the federal government or its
31 agents unless the particular (~~qualifying~~) qualifying patient or
32 designated provider is convicted in state court for violating this
33 chapter or chapter 69.50 RCW.

34 (10)(~~(a)~~) The department must charge a one dollar fee for each
35 initial and renewal recognition card issued by a marijuana retailer
36 with a medical marijuana endorsement. The marijuana retailer with a
37 medical marijuana endorsement shall collect the fee from the
38 qualifying patient or designated provider at the time that he or she
39 is entered into the database and issued a recognition card. The
40 department shall establish a schedule for marijuana retailers with a

1 medical marijuana endorsement to remit the fees collected. Fees
2 collected under this subsection shall be deposited into the ((health
3 professions)) dedicated marijuana account created under RCW
4 ((43.70.320)) 69.50.530.

5 ~~((b) By November 1, 2016, the department shall report to the
6 governor and the fiscal committees of both the house of
7 representatives and the senate regarding the cost of implementation
8 and administration of the medical marijuana authorization database.
9 The report must specify amounts from the health professions account
10 used to finance the establishment and administration of the medical
11 marijuana authorization database as well as estimates of the
12 continuing costs associated with operating the medical marijuana
13 [authorization] database. The report must also provide initial
14 enrollment figures in the medical marijuana authorization database
15 and estimates of expected future enrollment.))~~

16 (11) If the database administrator fails to comply with this
17 section, the department may cancel any contracts with the database
18 administrator and contract with another database administrator to
19 continue administration of the database. A database administrator who
20 fails to comply with this section is subject to a fine of up to five
21 thousand dollars in addition to any penalties established in the
22 contract. Fines collected under this section must be deposited into
23 the health professions account created under RCW 43.70.320.

24 (12) The department may adopt rules to implement this section.

25 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
26 preservation of the public peace, health, or safety, or support of
27 the state government and its existing public institutions, and takes
28 effect July 1, 2019.

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