

ESHB 1443 - S AMD TO LCTA COMM AMD (S-2159.2/21) 603  
By Senator Saldaña

WITHDRAWN 04/06/2021

1 On page 8, after line 26, insert the following:

2 "Sec. 4. RCW 69.50.345 and 2019 c 393 s 2 are each amended to  
3 read as follows:

4 The (~~state liquor and cannabis~~) board, subject to the  
5 provisions of this chapter, must adopt rules that establish the  
6 procedures and criteria necessary to implement the following:

7 (1) Licensing of marijuana producers, marijuana processors, and  
8 marijuana retailers, including prescribing forms and establishing  
9 application, reinstatement, and renewal fees.

10 (a) Application forms for marijuana producers must request the  
11 applicant to state whether the applicant intends to produce marijuana  
12 for sale by marijuana retailers holding medical marijuana  
13 endorsements and the amount of or percentage of canopy the applicant  
14 intends to commit to growing plants determined by the department  
15 under RCW 69.50.375 to be of a THC concentration, CBD concentration,  
16 or THC to CBD ratio appropriate for marijuana concentrates, useable  
17 marijuana, or marijuana-infused products sold to qualifying patients.

18 (b) The (~~state liquor and cannabis~~) board must reconsider and  
19 increase limits on the amount of square feet permitted to be in  
20 production on July 24, 2015, and increase the percentage of  
21 production space for those marijuana producers who intend to grow  
22 plants for marijuana retailers holding medical marijuana endorsements  
23 if the marijuana producer designates the increased production space  
24 to plants determined by the department under RCW 69.50.375 to be of a  
25 THC concentration, CBD concentration, or THC to CBD ratio appropriate  
26 for marijuana concentrates, useable marijuana, or marijuana-infused  
27 products to be sold to qualifying patients. If current marijuana  
28 producers do not use all the increased production space, the (~~state  
29 liquor and cannabis~~) board may reopen the license period for new  
30 marijuana producer license applicants but only to those marijuana  
31 producers who agree to grow plants for marijuana retailers holding  
32 medical marijuana endorsements. Priority in licensing must be given

1 to marijuana producer license applicants who have an application  
2 pending on July 24, 2015, but who are not yet licensed and then to  
3 new marijuana producer license applicants. After January 1, 2017, any  
4 reconsideration of the limits on the amount of square feet permitted  
5 to be in production to meet the medical needs of qualifying patients  
6 must consider information contained in the medical marijuana  
7 authorization database established in RCW 69.51A.230;

8 (2) Determining, in consultation with the office of financial  
9 management, the maximum number of retail outlets that may be licensed  
10 (~~in each county~~), taking into consideration:

11 (a) Population distribution and increases;

12 (b) Security and safety issues;

13 (c) The provision of adequate access to licensed sources of  
14 marijuana concentrates, useable marijuana, and marijuana-infused  
15 products to discourage purchases from the illegal market; (~~and~~)

16 (d) The number of retail outlets holding medical marijuana  
17 endorsements necessary to meet the medical needs of qualifying  
18 patients. (~~The state liquor and cannabis board must reconsider and  
19 increase the maximum number of retail outlets it established before  
20 July 24, 2015, and allow for a new license application period and a  
21 greater number of retail outlets to be permitted in order to  
22 accommodate the medical needs of qualifying patients and designated  
23 providers. After January 1, 2017, any~~) Any reconsideration of the  
24 maximum number of retail outlets needed to meet the medical needs of  
25 qualifying patients must consider information contained in the  
26 medical marijuana authorization database established in RCW  
27 69.51A.230; and

28 (e) The number of retail licenses held by social equity  
29 applicants, as defined in RCW 69.50.335;

30 (3) Determining the maximum quantity of marijuana a marijuana  
31 producer may have on the premises of a licensed location at any time  
32 without violating Washington state law;

33 (4) Determining the maximum quantities of marijuana, marijuana  
34 concentrates, useable marijuana, and marijuana-infused products a  
35 marijuana processor may have on the premises of a licensed location  
36 at any time without violating Washington state law;

37 (5) Determining the maximum quantities of marijuana concentrates,  
38 useable marijuana, and marijuana-infused products a marijuana  
39 retailer may have on the premises of a retail outlet at any time  
40 without violating Washington state law;

1 (6) In making the determinations required by this section, the  
2 (~~state liquor and cannabis~~) board shall take into consideration:

3 (a) Security and safety issues;

4 (b) The provision of adequate access to licensed sources of  
5 marijuana, marijuana concentrates, useable marijuana, and marijuana-  
6 infused products to discourage purchases from the illegal market; and

7 (c) Economies of scale, and their impact on licensees' ability to  
8 both comply with regulatory requirements and undercut illegal market  
9 prices;

10 (7) Determining the nature, form, and capacity of all containers  
11 to be used by licensees to contain marijuana, marijuana concentrates,  
12 useable marijuana, and marijuana-infused products, and their labeling  
13 requirements;

14 (8) In consultation with the department of agriculture and the  
15 department, establishing classes of marijuana, marijuana  
16 concentrates, useable marijuana, and marijuana-infused products  
17 according to grade, condition, cannabinoid profile, THC  
18 concentration, CBD concentration, or other qualitative measurements  
19 deemed appropriate by the (~~state liquor and cannabis~~) board;

20 (9) Establishing reasonable time, place, and manner restrictions  
21 and requirements regarding advertising of marijuana, marijuana  
22 concentrates, useable marijuana, and marijuana-infused products that  
23 are not inconsistent with the provisions of this chapter, taking into  
24 consideration:

25 (a) Federal laws relating to marijuana that are applicable within  
26 Washington state;

27 (b) Minimizing exposure of people under twenty-one years of age  
28 to the advertising;

29 (c) The inclusion of medically and scientifically accurate  
30 information about the health and safety risks posed by marijuana use  
31 in the advertising; and

32 (d) Ensuring that retail outlets with medical marijuana  
33 endorsements may advertise themselves as medical retail outlets;

34 (10) Specifying and regulating the time and periods when, and the  
35 manner, methods, and means by which, licensees shall transport and  
36 deliver marijuana, marijuana concentrates, useable marijuana, and  
37 marijuana-infused products within the state;

38 (11) In consultation with the department and the department of  
39 agriculture, establishing accreditation requirements for testing  
40 laboratories used by licensees to demonstrate compliance with

1 standards adopted by the (~~state liquor and cannabis~~) board, and  
2 prescribing methods of producing, processing, and packaging  
3 marijuana, marijuana concentrates, useable marijuana, and marijuana-  
4 infused products; conditions of sanitation; and standards of  
5 ingredients, quality, and identity of marijuana, marijuana  
6 concentrates, useable marijuana, and marijuana-infused products  
7 produced, processed, packaged, or sold by licensees;

8 (12) Specifying procedures for identifying, seizing,  
9 confiscating, destroying, and donating to law enforcement for  
10 training purposes all marijuana, marijuana concentrates, useable  
11 marijuana, and marijuana-infused products produced, processed,  
12 packaged, labeled, or offered for sale in this state that do not  
13 conform in all respects to the standards prescribed by this chapter  
14 or the rules of the (~~state liquor and cannabis~~) board.

15 **Sec. 5.** RCW 69.50.345 and 2019 c 393 s 2 and 2019 c 277 s 6 are  
16 each reenacted and amended to read as follows:

17 The (~~state liquor and cannabis~~) board, subject to the  
18 provisions of this chapter, must adopt rules that establish the  
19 procedures and criteria necessary to implement the following:

20 (1) Licensing of marijuana producers, marijuana processors, and  
21 marijuana retailers, including prescribing forms and establishing  
22 application, reinstatement, and renewal fees.

23 (a) Application forms for marijuana producers must request the  
24 applicant to state whether the applicant intends to produce marijuana  
25 for sale by marijuana retailers holding medical marijuana  
26 endorsements and the amount of or percentage of canopy the applicant  
27 intends to commit to growing plants determined by the department  
28 under RCW 69.50.375 to be of a THC concentration, CBD concentration,  
29 or THC to CBD ratio appropriate for marijuana concentrates, useable  
30 marijuana, or marijuana-infused products sold to qualifying patients.

31 (b) The (~~state liquor and cannabis~~) board must reconsider and  
32 increase limits on the amount of square feet permitted to be in  
33 production on July 24, 2015, and increase the percentage of  
34 production space for those marijuana producers who intend to grow  
35 plants for marijuana retailers holding medical marijuana endorsements  
36 if the marijuana producer designates the increased production space  
37 to plants determined by the department under RCW 69.50.375 to be of a  
38 THC concentration, CBD concentration, or THC to CBD ratio appropriate  
39 for marijuana concentrates, useable marijuana, or marijuana-infused

1 products to be sold to qualifying patients. If current marijuana  
2 producers do not use all the increased production space, the (~~state~~  
3 ~~liquor and cannabis~~) board may reopen the license period for new  
4 marijuana producer license applicants but only to those marijuana  
5 producers who agree to grow plants for marijuana retailers holding  
6 medical marijuana endorsements. Priority in licensing must be given  
7 to marijuana producer license applicants who have an application  
8 pending on July 24, 2015, but who are not yet licensed and then to  
9 new marijuana producer license applicants. After January 1, 2017, any  
10 reconsideration of the limits on the amount of square feet permitted  
11 to be in production to meet the medical needs of qualifying patients  
12 must consider information contained in the medical marijuana  
13 authorization database established in RCW 69.51A.230;

14 (2) Determining, in consultation with the office of financial  
15 management, the maximum number of retail outlets that may be licensed  
16 (~~in each county~~), taking into consideration:

17 (a) Population distribution and increases;

18 (b) Security and safety issues;

19 (c) The provision of adequate access to licensed sources of  
20 marijuana concentrates, useable marijuana, and marijuana-infused  
21 products to discourage purchases from the illegal market; and

22 (d) The number of retail outlets holding medical marijuana  
23 endorsements necessary to meet the medical needs of qualifying  
24 patients. (~~The state liquor and cannabis board must reconsider and~~  
25 ~~increase the maximum number of retail outlets it established before~~  
26 ~~July 24, 2015, and allow for a new license application period and a~~  
27 ~~greater number of retail outlets to be permitted in order to~~  
28 ~~accommodate the medical needs of qualifying patients and designated~~  
29 ~~providers. After January 1, 2017, any~~) Any reconsideration of the  
30 maximum number of retail outlets needed to meet the medical needs of  
31 qualifying patients must consider information contained in the  
32 medical marijuana authorization database established in RCW  
33 69.51A.230; and

34 (e) The number of retail licenses held by social equity  
35 applicants, as defined in RCW 69.50.335;

36 (3) Determining the maximum quantity of marijuana a marijuana  
37 producer may have on the premises of a licensed location at any time  
38 without violating Washington state law;

39 (4) Determining the maximum quantities of marijuana, marijuana  
40 concentrates, useable marijuana, and marijuana-infused products a

1 marijuana processor may have on the premises of a licensed location  
2 at any time without violating Washington state law;

3 (5) Determining the maximum quantities of marijuana concentrates,  
4 useable marijuana, and marijuana-infused products a marijuana  
5 retailer may have on the premises of a retail outlet at any time  
6 without violating Washington state law;

7 (6) In making the determinations required by this section, the  
8 (~~state liquor and cannabis~~) board shall take into consideration:

9 (a) Security and safety issues;

10 (b) The provision of adequate access to licensed sources of  
11 marijuana, marijuana concentrates, useable marijuana, and marijuana-  
12 infused products to discourage purchases from the illegal market; and

13 (c) Economies of scale, and their impact on licensees' ability to  
14 both comply with regulatory requirements and undercut illegal market  
15 prices;

16 (7) Determining the nature, form, and capacity of all containers  
17 to be used by licensees to contain marijuana, marijuana concentrates,  
18 useable marijuana, and marijuana-infused products, and their labeling  
19 requirements;

20 (8) In consultation with the department of agriculture and the  
21 department, establishing classes of marijuana, marijuana  
22 concentrates, useable marijuana, and marijuana-infused products  
23 according to grade, condition, cannabinoid profile, THC  
24 concentration, CBD concentration, or other qualitative measurements  
25 deemed appropriate by the (~~state liquor and cannabis~~) board;

26 (9) Establishing reasonable time, place, and manner restrictions  
27 and requirements regarding advertising of marijuana, marijuana  
28 concentrates, useable marijuana, and marijuana-infused products that  
29 are not inconsistent with the provisions of this chapter, taking into  
30 consideration:

31 (a) Federal laws relating to marijuana that are applicable within  
32 Washington state;

33 (b) Minimizing exposure of people under twenty-one years of age  
34 to the advertising;

35 (c) The inclusion of medically and scientifically accurate  
36 information about the health and safety risks posed by marijuana use  
37 in the advertising; and

38 (d) Ensuring that retail outlets with medical marijuana  
39 endorsements may advertise themselves as medical retail outlets;

1 (10) Specifying and regulating the time and periods when, and the  
2 manner, methods, and means by which, licensees shall transport and  
3 deliver marijuana, marijuana concentrates, useable marijuana, and  
4 marijuana-infused products within the state;

5 (11) In consultation with the department and the department of  
6 agriculture, prescribing methods of producing, processing, and  
7 packaging marijuana, marijuana concentrates, useable marijuana, and  
8 marijuana-infused products; conditions of sanitation; and standards  
9 of ingredients, quality, and identity of marijuana, marijuana  
10 concentrates, useable marijuana, and marijuana-infused products  
11 produced, processed, packaged, or sold by licensees;

12 (12) Specifying procedures for identifying, seizing,  
13 confiscating, destroying, and donating to law enforcement for  
14 training purposes all marijuana, marijuana concentrates, useable  
15 marijuana, and marijuana-infused products produced, processed,  
16 packaged, labeled, or offered for sale in this state that do not  
17 conform in all respects to the standards prescribed by this chapter  
18 or the rules of the ((state liquor and cannabis)) board.

19 NEW SECTION. **Sec. 6.** Section 4 of this act expires July 1,  
20 2024.

21 NEW SECTION. **Sec. 7.** Section 5 of this act takes effect July 1,  
22 2024."

**ESHB 1443** - S AMD TO LCTA COMM AMD (S-2159.2/21) **603**  
By Senator Saldaña

**WITHDRAWN 04/06/2021**

23 On page 8, line 29, after "69.50.335," strike "and 69.50.336; and  
24 providing an expiration date." and insert "69.50.336, and 69.50.345;  
25 reenacting and amending RCW 69.50.345; providing an effective date;  
26 and providing expiration dates."

EFFECT: (1) Removes the requirement that the Liquor and Cannabis  
Board (LCB) determine the maximum number of retail outlets on a  
county basis.

(2) Expands the list of items LCB must consider when making the  
determination, to include population increases and the number of  
retail licenses held by social equity applicants.

(3) Makes other technical changes.

--- **END** ---